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ABSTRACT

This document presents findings of the Assessment of School-Based Management Study, which identified the conditions in schools that promote high performance through school-based management (SBM). The study's conceptual framework was based on Edward E. Lawler's (1986) model. The high-involvement framework posits that four resources must spread throughout the organization: power to make or influence decisions; information upon which good decisions can be made; knowledge and skills to perform effectively including good decision-making and problem-solving skills; and rewards for performance. This volume contains four sections: Section 1 includes an executive summary for the study; section 2 presents a summary review of the SBM literature; section 3 presents an overview of study aims and study questions; and section 4 contains a series of articles that draw on cross-site analyses from the two phases of the study. The study found that SBM requires a redesign of the whole school organization rather than a change in school governance. SBM fails when it is adopted as an end in itself; principals work from their own agenda; decision-making power is centered in a single council; and business continues as usual. Strategies for successful implementation of SBM include: (1) establish multiple teacher-led decision-making teams; (2) focus on continuous improvement with school-wide training in functional and process skills, including training in curricular and instructional areas; (3) create a well-developed system for sharing school-related information among a broad range of constituents; (4) develop ways to more effectively reward staff behaviors oriented toward achieving school objectives; (5) select principals who can facilitate and manage change; and (6) use district, state, and/or national guidelines to focus reform efforts and to target changes in curriculum and instruction. Data were obtained from a review of the literature and from over 500 interviews conducted in 44 schools in 13 school districts. Three tables are included. An annotated bibliography is included. (Contains 20 references.) (LMI)

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Studies of Education Reform

ASSESSMENT OF SCHOOL-BASED MANAGEMENT

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October 1996

The Studies of Education Reform were initiated by the former Office of Research in OERI under the guiding hand of its Acting Director, Joseph C. Conaty, currently Director of OERI's National Institute on Student Achievement, Curriculum, and Assessment.

Studies of Education Reform

The 12 studies were commissioned by the Office of Educational Research and Improvement (OERI) in 1991 and were all completed by fall 1995. Each study comprises three volumes. Volume I contains a discussion of the study, case study summaries of the schools or school districts examined, and recommendations. Volume II contains detailed case studies. Volume III is a technical appendix explaining the study's methodology. OERI is publishing all Volumes I as a set. Titles in this series are:

Systemic Reform
Early Childhood Reform in Seven Communities
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Parent and Community Involvement in Education
The Uses of Time for Teaching and Learning
Systemic Reform in the Professionalism of Educators
Study of Curriculum Reform
Assessment of Student Performance
Assessment of School-Based Management
School Reform and Student Diversity
Technology and Education Reform
Study of School-to-Work Initiatives

The other two volumes for each study are available through the Education Resources Information Center (ERIC) system.

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PREFACE

The world has changed around our organizations. American organizations that were performing well during the majority of the twentieth century are finding themselves operating in a radically new environment facing changed expectations and requirements. Organizations are now being forced to redesign themselves to ensure their prosperity in the new global order. School organizations are no exception and this is serious business. At stake is the ability of our schools to contribute to a thriving economy that provides jobs, opportunity and the basis for a satisfactory standard of living for the citizenry. The societal stake in the improvement of education includes preparing citizens to participate in a community, in the democracy, and in the economy of an increasingly complex society.

School-based management is a popular political approach to redesign that gives local school participants -- educators, parents, students and the community-at-large -- the power to improve their school. By moving governance and management decisions to local stakeholders, those with the most at stake are empowered to do something about how the school is performing. School-based management has great appeal, as witnessed by the large numbers of school districts that are trying some form of it. Its results, however, have been less impressive. School-based management takes a long time to implement, does not always focus on educational issues, and often results in friction, rather than collaboration, between stakeholders during the improvement process. Is the theory flawed? Is the current wave of decentralization just another swing of the pendulum?

The Assessment of School-Based Management study, reported in this volume, explored the possibility that organizational and student performance results from school-based management were limited because the reform had been inadequately conceptualized. Based on decentralized management in other types of organizations, we hypothesized that perhaps too much had been expected from simply the transfer of power. For local stakeholders to use power to improve the education that occurs in schools, the design of the organization must change in many ways to support the informed and skilled application of this power, and to provide incentives for people to make fundamental changes in how they enact their roles. An underlying assumption of this research was that a true test of school-based management required the reform to be implemented as part of a systemic change. School-based management must include the development of an organizational design that supports and values high levels of involvement throughout the organization, with a simultaneous focus on fundamental change to the educational program that supports new approaches to teaching and learning. Thus, our research plan focused on assessing the effectiveness of SBM, in combination with ambitious curriculum and instructional reforms, as a tool for improving school performance.

Through this study, we took a new look at school-based management through the lens of an organizational model that has been found in the private sector to lead members of organizations to become involved in improving organizational performance. The high-involvement model stems from the work of Edward E. Lawler and his colleagues, and stresses creating the capability for meaningful involvement in the organization and a stake in its performance (Lawler, 1986; 1992). The high-involvement framework posits that four resources must be spread throughout the organization: power to make or influence decisions; information upon which good decisions can be made; knowledge and skills to perform effectively including good decision-making and problem-solving skills; and rewards for performance. Such organizations also are designed to get people focusing on the ongoing improvement of performance. Lawler's high-involvement framework is used as a template against which to compare SBM, for the purposes of enriching the conceptualization of SBM and its role in high performance. We chose this model as the analytical foundation for the study because we were interested in expanding the dialogue about school-based management to include concepts of organizational design for high involvement.

Early efforts in the private sector to create participative structures and to empower employees encountered serious barriers and achieved little. Some organizations retreated from the high-involvement approach. Others persevered, and have gradually put in place the design features required to enable meaningful employee involvement. The changes have been deep and pervasive. Thus, in this study we investigated the change process and how districts and schools went about the initial stages of adopting and implementing SBM. Drawing on the experience of the private sector, we expected that SBM, like high-involvement management, would require the redesign of the district and school organizations to create the conditions under which school-level participants introduced changes that would lead to higher performance.

In the first phase of the Assessment of School-Based Management study, we wanted to determine whether the schools that were more successful in introducing change had attended to more aspects of high-involvement. This phase found considerable support for the importance of the four elements of high-involvement, as well as for the importance of the role of leadership and instructional guidance mechanisms (state, district, or school generated philosophies, and curriculum frameworks) in providing shared direction within the school.

The second phase of the Assessment of School-Based Management study examined in greater depth the organizational factors that were present in schools that had utilized SBM successfully to introduce changes in curriculum and instruction. Curriculum experts from the University of Wisconsin were part of the team for the second phase. They took a fine-grained look at classroom changes that were being put into place, and validated that changes in teaching and learning were indeed occurring. In addition, this phase examined the dynamics that enabled the establishment of a learning community in the school to support the generation, implementation, assessment, and institutionalization of new practices.

The second phase of the study again confirmed the importance of the organizational features emphasized in the high-involvement framework. We were able to confirm that changes in curriculum and instruction were indeed occurring in our sample schools; and we also were able to provide a rich picture of how the organizational mechanisms worked and the learning dynamics that were present.

The problems facing schools are systemic. They will not be resolved by returning to the old conditions. School populations will not become more homogeneous. At least in the short term, the nuclear family will not thrive. Social problems will continue to walk into the school. The process of finding approaches to deal with these and many other issues will require and benefit from the involvement of all stakeholders and participants. We argue that schools do not face a decision of *whether* to involve local stakeholders, but rather of *how* to involve them. Results from this study show that school-based management can be part of a constellation of factors that produce local school efforts to improve teaching and learning. The study stops short of demonstrating impact on school outcomes, although there were qualitative reports and data in a number of schools to show that outcomes were indeed improving. The Assessment of School-Based Management study also demonstrates that within the same district, some schools were able to effectively engage local-level participants and open up the system to substantial change, while other schools struggled and SBM activities failed to achieve a focus or make an impact. The findings offer considerable evidence about the reasons for differential success.

Overview of This Volume

The results from the Assessment of School-Based Management study are intended for policy makers, practitioners and scholars who deal with educational administration and policy. Our intent was that the study would serve as a source of ideas for educators who are struggling to create meaningful involvement in educational improvement. We also thought it would be useful for policy makers and scholars who are muddling through the place of school-based management in the constellation of efforts that constitute systemic school reform, and for those who are looking for an enriched understanding of school-based management that goes beyond its political conceptualization and beyond the statement of faith that moving control to local participants will result in decisions to improve education. Deeper understanding of these issues, we believe, will ultimately produce more sustained and effective school-based management approaches that create high involvement in improving school performance.

This first volume of our final technical research report focuses on the findings and conclusions from the Assessment of School-Based Management study and contains four sections. Section One includes the Executive Summary for the Assessment of School-Based Management study. It presents an overview of our research in the United States, Canada and Australia based on over 500 interviews in 44 schools and 13 school districts. The Summary is organized around four basic reasons why SBM fails and six strategies that lead to success. Written for educators in the field and policy makers, the Summary (which appeared in the September 1995 issue of *Kappan*) concludes with some implications for district and state-level policy and practice.

In Section Two, we present a summary review of the SBM literature that emerged from the papers we commissioned experts to write during the first year of the study. In an effort to communicate our findings to a broad and diverse audience, we published the results from our literature review in two forms. First as a policy brief that was targeted at policy makers and practitioners, and second as a book -- *School-Based Management: Organizing for High Performance* (Jossey-Bass, 1994) -- designed more for the academic community. The policy brief, which was disseminated to over 5000, serves as our summary review of the SBM literature and is included in this volume under Section Two.

In the third section, we present an overview of our study aims and study questions. This information is presented in the form of two "information briefs" -- one for each phase of data collection. The information briefs were sent to potential study districts and schools to communicate the purpose of our SBM research to potential participants.

The fourth section contains a series of articles that draw on our cross-site analyses from the two phases of the Assessment of School-Based Management study. The articles, which were developed to address the interests of a variety of audiences, are arranged in chronological order, beginning with the earliest based on data from our first phase of data collection. As you will read, a major thrust of our work was on cross-site analyses. In our view, single case studies would be of limited generalizability and, therefore, of only limited use to policy makers and practitioners (for practical advice) and to the research community (for contributing to theory). We considered our individual case studies to be raw data, and they were developed for internal use only.

The final article in Section Four entitled "Generating Curriculum and Instructional Innovations Through School-Based Management" (Robertson, Wohlstetter and Mohrman, 1995) assesses the outcomes of SBM. We were interested in how SBM could support educational innovations in the classroom. In the absence of comparable, multi-year student achievement data, we used data on classroom innovations as a proxy for high performance, arguing that increases in student performance were most likely to occur in classrooms that used authentic pedagogy and authentic curriculum. Since completing our study, researchers at the Center on Organization and Restructuring Schools have built directly on our study of SBM and taken the findings one step further by linking decentralization and classroom innovation (as we defined it) to improved student achievement (Marks and Louis, 1995).

Los Angeles, California
July 1995

Priscilla Wohlstetter
Susan Albers Mohrman

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Many people contributed in different ways to the Assessment of School-Based Management study. The support, encouragement and collegiality of Allan Odden were very significant gifts. He supports with enthusiasm and interest, and is always willing to interact with new ideas. His belief in public education and his fervor for its improvement are inspirational. As Senior Adviser, Allan Odden made significant contributions to all phases of the Assessment of School-Based Management study, from its initial conception and implementation to cross-site analysis and preparation of this final report. The intellectual support of Edward Lawler has been a guiding light, and we appreciate his willingness to free up Susan Albers Mohrman for four years from obligations at the Center for Effective Organizations.

Our research team has been skilled and diligent, first in helping to develop a bevy of data collection instruments, including 19 interview protocols and nine teacher surveys, and then by conducting over 500 interviews in the field and writing up pages of notes to make them suitable for cross-site analysis. We thank Sally Chou, Bonnie Cohn, Maggie Carrillo Mejia, Eleanor Odden, Peter Robertson, John Smithson, Roxane Smyer, and Paula White for their contributions. Kerri Briggs' and Amy Van Kirk's contributions as research assistants and as co-authors of this final technical research report have been significant. They have demonstrated both great skill and diligence.

We also would like to thank all the individuals in district offices and schools whom we interviewed. They welcomed us graciously, spent considerable time with us, and offered special insights into their experiences with school-based management.

Finally, we would like to thank the U.S. Department of Education, Office of Educational Research and Improvement for its support of the Assessment of School-Based Management study. Susan Klein, a senior staff member at OERI and the project officer for the Assessment of School-Based Management study, provided important guidance and oversight throughout the course of this research, and we benefited enormously from ongoing discussions with her.

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SECTION ONE:
EXECUTIVE SUMMARY

Getting School-Based Management Right: What Works and What Doesn't

After years of scant evidence that school-based management (SBM) leads to improved school performance, educators and policy makers are more and more questioning the wisdom of using decentralized management to reform education. People say that the best decisions are those made closest to the students but few realize the extent of system-wide change SBM entails. School-based management often is implemented by setting up a council at the school site and giving the council at least some responsibility in the areas of budget, personnel and curriculum. It is assumed that schools understand their new roles and responsibilities and will take appropriate action to improve school performance.

For more than three years, researchers with the Center on Educational Governance at the University of Southern California in Los Angeles have been studying schools and school districts in the United States, Canada and Australia to find out what makes SBM work.[1] The purpose of the research was to identify the conditions in schools that promote high performance through school-based management. We defined high performance SBM as occurring in schools that were actively restructuring in the areas of curriculum and instruction; these were schools where SBM worked well. We compared this group of successful schools to schools that were struggling; that is, schools that were active with SBM but less successful in making changes that affected teaching and learning.

In total, we visited 40 schools in 13 school districts and interviewed more than 400 people, from school board members, superintendents and associate superintendents in district offices to principals, teachers, parents and students. All the schools we studied -- which included elementary, middle and high schools -- had been operating under SBM for at least four years, although some had been working at it much longer.[2]

In brief, we found that school-based management required a redesign of the whole school organization that goes far beyond a change in school governance. For SBM to work, people at the school site must have "real" authority over budget, personnel and curriculum. Equally important, that authority must be used to introduce changes in school functioning that actually impact teaching and learning if SBM is to help improve school performance. The school's strategy for using its new power must include strategies for decentralizing three other essential resources: professional development and training for teachers and other stakeholders in managing and problem-solving, as well as in curriculum and instruction;

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[1] The international work was supported by grants from the Carnegie Corporation of New York and the Finance Center of the Consortium for Policy Research in Education. The author also would like to thank members of the research team from the University of Southern California -- Kerri Briggs, Susan Albers Mohrman, Peter Robertson, Roxane Smyer and Amy Van Kirk -- and from the University of Wisconsin-Madison -- Allan Odden, Eleanor Odden, John Smithson and Paula White.

[2] Susan Albers Mohrman, Priscilla Wohlstetter and Peter Robertson, *Reforming Schools Through School-Based Management: Lessons From Research* (Albany: State University of New York Press, forthcoming).

information about student performance, parent and community satisfaction, and school resources to help school-level people make informed decisions; and rewards to acknowledge the increased effort SBM requires of participants as well as to recognize improvements in school performance. Our research also pointed out the importance of principal leadership and of having some sort of instructional guidance mechanism -- a curriculum framework, for example -- at the school site to direct reform efforts.[3]

In this article, the knowledge we have gained about the do's and don'ts of school-based management are presented in the form of four basic reasons why school-based management fails and six strategies that lead to success.

Why School-Based Management Fails

1. **SBM is adopted as an end in itself.** As a form of governance, SBM in and of itself will not generate improvement in school performance. Instead, it is simply a means through which school-level decision makers can implement various reforms that can improve teaching and learning. In the struggling schools we visited, there was little connection between SBM and curriculum and instructional reform, and councils often got bogged down in issues of power -- who can attend meetings, who can vote -- not on improving curriculum and instructional practices.

2. **Principals work from their own agenda, not helping to develop a common one.** Many principals in struggling schools were perceived as too autocratic by their staffs, who reported that the principals appeared to dominate all decisions.[4] Such principals typically identified, on their own, a vision for the school and then presented it -- fait accompli -- to teachers. This often led to a power struggle between teachers and the principal over who controlled the school. In some cases, the principal's unilateral plan for change was rejected by the faculty. Teachers felt little sense of ownership and accountability to the plan. Teachers frequently referred to "the *principal's* vision" in schools where the leadership was autocratic.

3. **Decision-making power is centered in a single council.** Struggling SBM schools tended to concentrate power in a single school council that often was composed of a small group of committed teachers who were painfully aware they did not have broad representation. These councils tended to get bogged down in establishing power relationships. One struggling school spent almost a year developing a policy manual that specified who had power and under what conditions. There also were strong feelings of alienation among faculty members, and often factions developed between "they" -- the empowered -- and

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[3] Priscilla Wohlstetter and Susan Albers Mohrman, "School-Based Management: Promise and Process" (New Brunswick, NJ: Consortium for Policy Research in Education, 1994); Eleanor R. Odden and Priscilla Wohlstetter, "Making School-Based Management Work," *Educational Leadership*, February 1995, pp. 32-36.

[4] Priscilla Wohlstetter and Kerri Briggs, "The Principal's Role in School-Based Management," *Principal*, November 1994, pp. 14-17.

"us." Subcommittees and other decision-making groups (if they existed at all) did not have wide participation and so the committed few often felt exhausted and burned-out.

4. **Business as usual.** Too many schools have assumed that SBM occurs with average levels of commitment and energy.[5] Our research found that SBM is a time-consuming and complicated process that places high demands on all individuals involved. Schools struggled with SBM when they simply layered SBM on top of what they were already doing. Meetings ended up being held after school and frequently they were poorly attended. Such schools did not redesign their schedules to encourage teacher interaction during the regular school day. Further, there were strong feelings of isolation among teachers due to the absence of meetings that allowed teachers and other stakeholders to interact around specific projects or tasks.

Strategies for Success

1. **Establish multiple, teacher-led decision-making teams.** In schools where SBM worked, multiple, teacher-led decision-making teams were created that cut across the school both horizontally and vertically to involve a broad range of school-level constituents in the decision-making process. Many of these groups were designed to facilitate interaction across the traditional boundaries of departments and grade levels. Common structures included subcommittees of the school council that were open to membership by interested teachers or parents, and teacher teams that were actively included in the consensus-building process for school decisions. The decision-making groups, set up to address such topics as curriculum, assessment and professional development, also helped focus participants' energy on specific tasks rather than on abstractions such as "culture" or "empowerment." The net effect was that in schools where SBM worked there was lots of communication and reflective dialogue around specific projects. The most effective school councils were those that served largely to coordinate and integrate the activities of the various decision-making groups operating throughout the school. These councils provided the direction for the changes taking place and allocated resources to support them, focusing on the needs of the school as a whole rather than on the needs of individual academic departments or teaching teams. Because whole faculties were involved in the decision-making process (not only the select few on the council), the multiple teams and subcommittees also reduced the work load on individual teachers and broadened the commitment to reform.

2. **Focus on continuous improvement with school-wide training in functional and process skills, as well as in areas related to curriculum and instruction.** Professional development in schools where SBM worked was a very high priority. Staff participated in training opportunities on a regular, ongoing basis, rather than sporadically and infrequently (e.g., when SBM was adopted). Professional development at these schools

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[5] See Susan Albers Mohrman, Priscilla Wohlstetter and Associates, *School-Based Management: Organizing for High Performance* (San Francisco: Jossey-Bass, 1994).

was utilized more strategically, deliberately tied to the school's reform objectives. At many schools, the council or a separate decision-making group assessed professional development needs and planned and coordinated development activities to meet those needs. Professional development activities were oriented toward building a school-wide capacity for change, creating a professional community and developing a shared knowledge base. The schools where SBM worked had greater proportions of the staff take part in professional development. In particular, training in the area of decision-making skills was not limited to members of the school council. Sources of training at successful SBM schools included the district office, universities, and even non-traditional education circles like businesses, which provided training in management and group decision-making. These schools also expanded the range of content areas for training beyond the typical areas of curriculum and instruction to include participation in decision-making, leadership responsibilities (e.g., running meetings, budgeting, interviewing) and the process of school improvement.

3. **Create a well-developed system for sharing school-related information among a broad range of constituents.** The schools where SBM worked used many communication mechanisms to share information. In these schools information not only flowed to the school from the central office, but also within the school and out to the community. Multiple vertical and horizontal decision-making groups collected and dispensed information within the school, and informed parents and the community outside the school. In addition, more kinds of information were regularly disseminated in successful SBM schools, including information about innovations going on in other schools and about school performance. Most of the successful SBM schools were systematic and creative in how they tried to communicate with parents and the community, relying as much on face-to-face means as on formal documents. These schools also had a strong customer service orientation. Many conducted annual parent and community satisfaction surveys and used the results to help set priorities for the following year. The principals in schools where SBM worked often attended many different types of meetings at which external constituents, such as local businesses, were present to discuss school activities. Another common practice in successful SBM schools was to disseminate daily attendance and tardiness data to parents on a regular basis. Parent-teacher conferences and newsletters were also used as information channels. Several schools used grant dollars to install voice mail for classroom teachers, while another school hired a part-time ombudsman to serve as a liaison between the school and parent communities.

4. **Develop ways to more effectively reward staff behavior oriented toward achieving school objectives.** Where school-based management worked, the school community rewarded effort and recognized improved performance. Many principals at successful SBM schools regularly recognized individuals for work well done; in other schools, principals preferred to recognize group efforts. The principals used various reward strategies, including "pats on the back" and notes of appreciation. At one high school, the principal began every faculty meeting with a list of "thank you's." We also heard about teachers informally recognizing one another's efforts, and parents giving thank you

luncheons for teachers. It has been argued that intrinsic rewards, such as these, are sufficient to motivate and reinforce teachers. A few schools used monetary rewards. Such rewards included differentiated staffing positions with extra compensation for administrative responsibilities, money for professional development, and grants to reimburse teachers for extra time, including (in one school) money for council membership. Where school-based management worked, many teachers were excited and motivated by the climate of professional collaboration and learning in their schools. However, some teachers who had been working with SBM for longer than four years were tired and wondering if they could maintain their level of involvement. The argument that intrinsic rewards are sufficient to motivate and reinforce teachers for engaging in SBM over the long haul may be too optimistic. The use of extrinsic rewards, in combination with other incentives, might help reduce the fatigue factor and sustain the reform effort.

5. **Select principals who can facilitate and manage change.** The schools where SBM worked had principals who played a key role in dispersing power, in promoting a school-wide commitment to learning and growth in skills and knowledge, in expecting all teachers to participate in the work of the school, in collecting information about student learning, and in distributing rewards. The principals were often described as facilitators and managers of change, as strong supporters of their staffs, and as the people who brought innovations to the school and moved reform agendas forward.
   Such principals tended to delegate to subcommittees responsibilities such as material selection, budget development and professional development schedules. What emerged was shared leadership among a broad range of individuals throughout the school. In many cases, for example, teachers took the lead in introducing ideas about new instructional practices. The most successful principals were the ones who worked to coordinate the efforts of these many teacher leaders so that they involved whole faculties and all efforts were oriented toward the school vision. Aside from formal collaboration, principals in schools where SBM worked also fostered informal communities by scheduling common lunch periods for students and staff and common break times for teachers.

6. **Use district, state and/or national guidelines to focus reform efforts and to target changes in curriculum and instruction.** School-based management had more leverage when adopted in the context of a set of curricular guidelines. Developed variously at the district, state and/or national level (e.g., National Council of Teachers of Mathematics standards), the guidelines provided direction for curriculum and instruction reform at the school. Many of the people we interviewed said the guidelines -- in the form of performance standards, curriculum frameworks and/or assessment systems -- specified the "what" of the curriculum but that the "how" was left up to them. The guidelines also set parameters within which schools created their own vision or improvement plan that outlined the instructional direction for the school. These documents articulated what the school was all about and served as a focus for the reform activities initiated by the school, and the SBM council, in particular.

Implications for Policy and Practice: What Can States and School Districts Do To Make SBM Work?

We have described the conditions that make schools effective or ineffective in using school-based management to improve teaching and learning. School-based management is a large-scale change that requires a long-term process. When policy makers adopt SBM they need to plan for change at all levels of the educational system. The lessons about what makes SBM work suggest a set of action steps or initiatives that district and state administrators can take to help schools implement SBM in ways that enhance school performance.

- Work together with union officials to remove as many constraints as possible to give school-level decision-makers greater flexibility in the areas of budget and personnel. Strategies might include providing schools with a lump sum budget; allowing schools to recruit and select staff; and giving schools the authority to design their own decision-making apparatus.

- Offer direction for curriculum and instruction reform through the creation of an instructional guidance system that includes standards, curriculum frameworks and assessment components. Within this context, schools must be allowed considerable discretion to determine how to deliver the curriculum.

- Create a set-aside for professional development and training at both the district and school levels amounting to about 3-5% of each budget. Also, promote alternative modes of professional development in terms of training topics, service providers, training sites and instructional approaches.

- Invest in building a district-wide computer network that allows schools access to information from the central office regarding resources (revenues, expenditures), student performance and teacher performance to enhance the school's capacity to monitor performance. Districts could also conduct a one- or two-year survey of community and parents regarding satisfaction with the schools.

- Promote information sharing across schools, districts and states through the establishment of an office of reform assistance and dissemination at the state level (parallel in function to OERI's office at the federal level), and an electronic communications network.

- Encourage experimentation with compensation systems that connect rewards with desired behaviors, such as trying innovative instructional practices, helping to design new curricular modules and becoming actively involved in school decision-making.

SBM requires new roles and responsibilities for schools but, equally important, district and state administrators will need to move away from telling schools what to do to offering services and providing incentives for school-level change.

In conclusion, these findings suggest that the creation of school-site councils -- typically the first step in implementing SBM -- will not automatically result in improved performance. SBM must be augmented by a range of strategies at the school, district and state levels that facilitate interactions among various stakeholders and that provide a direction for those interactions. SBM can act as the facilitator of school improvement, but when it is implemented narrowly as a political reform that merely shifts power from the central office to schools, SBM is inadequate to improve school performance.

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SECTION TWO:
SUMMARY REVIEW OF THE LITERATURE

School-Based Management:
Strategies for Success

School leaders across the nation are exploring ways to better educate students and improve school performance. School-based management (SBM) offers a way to promote improvement by decentralizing control from central district offices to individual school sites. It attempts to give school constituents administrators, teachers, parents and other community members more control over what happens in schools.

Endorsed by many organizations, including the National Governors' Association, SBM is being tried in districts of varied size and wealth. But so far, we have only a small bit of knowledge about how to make SBM work.

Decentralized management has a longer history in the private sector, however. For several decades, organizations have been implementing high-involvement management, a practice that like SBM decreases centralized control to encourage self-management by employees.[6] Studies of decentralization in the private sector suggest that high-involvement management is most appropriate in organizations where the work (like teaching in schools) is complex; is best done collegially or in teams; involves uncertainty in its day-to-day tasks; and exists in a rapidly changing environment.

Research on the private sector also points out that control over four resources needs to be decentralized throughout the organization in order to maximize performance improvement:

○ *power* to make decisions that influence organizational practices, policies and directions;

○ *knowledge* that enables employees to understand and contribute to organizational performance including technical knowledge to do the job or provide the service, interpersonal skills, and managerial knowledge and expertise;

○ *information* about the performance of the organization, including revenues, expenditures, unit performance, and strategic information on the broader policy and economic environment; and

○ *rewards* that are based on the performance of the organization and the contributions of individuals.

This issue of CPRE Finance Briefs offers a new definition of school-based management and describes strategies for decentralizing management to improve the design of SBM plans. The design strategies focus on the four components of control: power, knowledge, information, and rewards.

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[6] For a complete discussion of the concept of high involvement management see, *The Ultimate Advantage* (San Francisco: Jossey-Bass, 1992) and *High Involvement Management* (San Francisco: Jossey-Bass, 1986), both by E. E. Lawler.

The brief draws from a national study of school-based management being conducted by Priscilla Wohlstetter and Susan Albers Mohrman for the Finance Center of the Consortium for Policy Research in Education (CPRE) and is based on a series of commissioned papers (see sidebar). Researchers are studying public schools, private schools and private companies, that have decentralized in order to identify strategies that can improve the implementation of school-based management and enhance school productivity.

Research on the private sector shows large-scale change, such as decentralization, cannot be simply installed. Rather it unfolds over time through a gradual learning process. Therefore, the transition to SBM is best approached by establishing structures and processes that enable groups of people to discuss new directions, try new approaches, and learn from them. The second part of this finance brief offers strategies for managing the change to school-based management.

School-Based Management: Lessons About What Works

In the education arena, school-based management has been viewed largely as a political reform that transfers power (authority) over budget, personnel and curriculum to individual schools. Little attention has been given to empowering school sites with control over information, professional development (knowledge) or compensation systems (rewards). Furthermore, when SBM programs are analyzed, the general conclusion is that the extent of decision-making responsibility transferred to site teachers and administrators is limited.

Experience from the private sector suggests that to effectively implement school-based management, districts need to design plans that not only transfer *real* authority to school sites but also expand the definition of SBM to include control over information, knowledge and rewards. Drawing from successful decentralization approaches in public schools and in the private sector, strategies for decentralizing resources in each of these four areas are discussed below.

Power. The main focus of school-based management has been the decentralization of power. The question is, *Who* at the school site is the power given to? Power is shifted most often from the central administration to a council at the school site. Councils may be composed of administrators, teachers, parents, community members and sometimes students. In this way, SBM empowers groups who typically have not had much power in managing schools.

The idea of using SBM as a vehicle for giving more authority to classroom teachers is common. Indeed, SBM often is seen as synonymous with empowering teachers. Most districts that instituted SBM through collective bargaining such as Dade County, Florida and Los Angeles, California provided teachers with majority representation on site councils. In doing so, districts simultaneously decentralized power to the schools and elevated teachers' influence to higher levels in the organization.

It may be, however, that group empowerment is not the most effective means of school management. Studies of effective public schools agree that a strong central leader, like the principal, is key to successful management. An effective leader can set the school's vision, serve as an instructional leader, coordinate reform efforts and rally support for the school. A few districts such as Edmonton, Canada and Prince William County, Virginia have empowered the school principal under SBM. This model also is used by independent elite schools that tend to have high student achievement: power belongs to the head.

A second concern in designing SBM is *what* powers should be given to school sites. SBM programs generally delegate at least some control over budget, personnel and curriculum decisions, however, some SBM programs limit control to only one or two of these areas. Budgetary powers usually are the first to be decentralized.

Some private sector organizations have increased performance by establishing small self-managing production units with full authority over resources, including budget and personnel. Following this model, the most effective SBM programs would be ones where schools are given lump-sum budgets to allocate according to local needs and the authority to hire and fire school staff, including principals and teachers.

The transfer of power in the private sector occurs through various strategies. Each strategy aims to empower the organization's employees, which in education would be mainly teachers and administrators. One strategy is self-contained teams, made up of employees who produce a defined product or deliver a service to a defined set of customers. Within schools, teams might be defined by grade level or academic department. Such teams could be given the authority to make resource trade-offs and to manage the way they perform their jobs.

A second strategy that also breaks big companies into smaller units is the creation of mini-enterprises. Mini-enterprises in schools could be groups of students organized into "houses" or "cadres" and taught by teams of teachers, similar to school designs advocated by Theodore Sizer and Henry Levin. In the private sector, each mini-enterprise typically is empowered to make decisions about resource allocation and is given incentives to optimize performance.

A third approach is to use special purpose, or parallel structures. Quality improvement teams, often made up of employees at varying levels, and union/management committees have been used to build consensus among employees with different responsibilities on what organizational improvements should be made and how changes should be designed.

Finally, companies in the private sector have used representative task teams to enable operating units to have input into decisions that are best done uniformly throughout the organization for reasons that include economies of scale, demands of the marketplace or legal requirements.

School districts that are implementing school-based management should consider these additional mechanisms for participation and involvement. As pointed out, each is suitable for a different purpose. SBM plans should create participative mechanisms that are geared toward improving specific areas such as curriculum, teaching, and day-to-day operations.

Knowledge. In the private sector, three kinds of knowledge and skills are important to decentralized management. First, employees need training to expand their *job skills* and increase the breadth of their perspective, so that they can contribute in more ways to the organization and more knowledgeably to decisions about improvements. Secondly, individuals need *teamwork skills* for participating in high-involvement management: problem-solving, decision-making and communication skills. Finally, individuals need *organizational knowledge*. This includes budgeting and personnel skills, as well as an understanding of the environment and strategies for responding to changes in the environment.

School districts under SBM have given at least some attention to the first two areas. Districts routinely offer training, primarily to school-site councils, on how to organize meetings and how to develop consensus, although perhaps not with sufficient attention to the particular kinds of issues and problems council members will face. In addition, districts pay some attention to expanding teachers' knowledge about the instructional and programmatic changes of the schools, including knowledge about teaching, learning and curriculum. Such efforts, however, are not necessarily considered part of SBM and usually provide much less professional development than is needed.

Districts under SBM have done even less to develop general organizational skills among SBM participants. This is a serious shortcoming, given the focus in many districts on decentralizing functional tasks, such as budgeting and personnel. There also has been an absence of training for district office personnel whose roles likewise change under SBM. Thus, school districts implementing decentralized management need to encourage a wider variety of training experiences that support new operating practices in *both* the district office and school site.

A common practice in many districts is to have district offices provide training and consulting services to the schools. Implicit in such plans is the belief that central office staff have the knowledge that individuals at the site lack. Sometimes this is true, but often it is not. A few districts have recognized the need to draw upon the knowledge of educators at the school site. For example, Dade County established the Dade Academy for the Teaching Arts which offers training that is planned and operated exclusively by teachers for teachers. Some districts under SBM, such as Chicago, Illinois, and Edmonton, Canada, allow schools to purchase staff development services from experts outside the district.

Although there is yet very little research about the role of new knowledge in SBM, lessons from the private sector suggest that participants in the process need a complex understanding of both decentralized school governance and instructional reform. However, it does not appear that the only strategy for increasing knowledge lies in moving curriculum and instruction experts from the central office to the schools. Rather, studies indicate that the more promising approaches are joint efforts. These efforts draw upon the knowledge of teachers, administrators and outside experts and feature ongoing staff development in which participants at all levels enrich the system with their acquired knowledge and insight, while drawing on new sources of understanding.

Information. Power can only be decentralized if the individuals to whom power is entrusted have access to the information necessary to make good decisions. In the private sector, as well as in public education, much information historically has been available only at the top of the organization.

Companies practicing high-involvement management have developed ways to collect and share information about organizational goals, finance and cost structures, environmental issues, the customer and organizational performance. The companies provide trend and "benchmark" data to allow units to compare their performance over time, and with other organizational units and other organizations in the field. Further, they find ways to disseminate innovations that are occurring in their organization and in other organizations that are dealing with the same issues.

Public schools implementing decentralized management have not focused much attention on sharing information among participants, particularly at the school site. Indeed, the major focus in districts under SBM appears to be how information is shared vertically between individual schools and the district office, and whether schools are adhering to regulatory policies. Many districts provide schools with standardized test data.

School districts under SBM, however, are only beginning to provide sites with the information about organizational performance needed to develop school-based plans, for instance. To the extent schools are expected to meet districtwide goals, individuals at the school site need information about their performance relative to those goals. In addition, schools, like companies, must have information about their performance relative to other schools, whether or not they are competing with others as in a market-based choice plan.

Finally, schools need information about the extent to which they are meeting their clients' parents and students needs. All such information, moreover, needs to be available to schools in a timely fashion, so that modifications can be made inroad to improve organizational performance.

A mission statement is one tool that can be used by educators at the school site to help them to define school goals, measure progress toward reaching the goals, and to share information with the community-at-large. Research in the 1980s on effective schools found many of them have written mission statements defining the school culture and environment. Such information also is prevalent at independent schools whose survival depends on their ability to communicate unique attributes to prospective parents and students. Independent schools also stress business information since sound finances, information about tuition, salaries, enrollments, sources of income and types of expenditures also are crucial to the schools' survival.

Besides the content of information, how information is transmitted to the school community is important. With public schools, informal methods of communication are most prevalent: parent-teacher conferences, collegial sharing among teachers, and ad hoc meetings with visible, accessible administrators. By contrast, independent schools tend to favor more formalized approaches for transmitting information. Explicit written codes of conduct have become the norm.

Procedures dealing with conflict management, faculty compensation, job descriptions, strategic plans, and methods and timetables for meeting goals are typically written down and distributed to the school community. This written information is one way heads of independent schools communicate the school's mission to the community.

Studies in the 1980s of effective public schools suggest that they also transmit formal written information about performance expectations for students and staff, but not to the extent of independent schools.

School districts under SBM need to develop more systematic and varied strategies for sharing information at the school site, as well as with the district office and with other schools serving similar student populations. Portfolio assessments, such as those used in Vermont and districts such as Pittsburgh, Pennsylvania, Rochester, New York, and San Diego, California, may be one way to broaden information systems and provide feedback on school productivity.

Rewards. Translating decentralized reward structures of business to education is probably the greatest challenge to SBM. Skills-based pay schemes in decentralized private sector organizations reward employees for the knowledge and skills they possess. In education, reward systems tend to use indirect, proxy measures of knowledge and skills, namely the years of education and experience a teacher has accumulated.[7]

Decentralized management plans in the private sector often include components that reward employees collectively for performance. A key lesson from the private sector is that decentralized management is most effective when there is consensus on performance measures and units can be held accountable for performance. Employees need to see the relationship between pay and performance. Such conditions, however, do not often exist in education. Furthermore, it is understood in the private sector that high performance will lead to greater profits, but funding in public education is rarely affected by evidence about performance.

Few districts engaged in SBM have decentralized financial rewards. Teachers continue to be paid on a standardized salary scale and districts continue to allocate funds on a per pupil basis. The issue of performance-based rewards in schools is elusive for many reasons, including the multitude of purposes that various stakeholders have for the schools, the value differences that divide educators and the community, and the resistance of teachers and teacher organizations to the concept.

For example, policymakers often like the idea of rewarding successful schools with more resources, but budget constraints often would oblige them to allocate less to schools that are failing, an untenable approach to school improvement. Competitive merit pay plans exist in a few places. However, the systems tend to differentiate little among teachers and schools, and tend not to last over time.

Several districts actively involved in SBM continue to develop districtwide career ladders. However, such reforms typically are not skills-based pay schemes but strategies for increasing the pay of teachers who take on more work. For example, both Cincinnati, Ohio and Rochester identify lead teachers who assume special responsibilities and earn extra pay. ,

Monetary rewards are not the only extrinsic (or external) motivator available. Other possibilities include sabbaticals or opportunities to pursue full-time studies. In addition, prestigious mentor teacher positions could be created to help guide less experienced teachers. Another possibility would be to provide teachers with opportunities to further their education through professional conferences, classes at local colleges and universities, or involvement in teacher networks focused on some aspect of curriculum, teaching and assessment.

It is clear from research about work in schools that an effective reward system also must include opportunities for achieving intrinsic (internal) rewards. There is substantial evidence that although pay is an important concern, many teachers are motivated strongly by intrinsic factors such as achieving success with students or enjoying collaborative work with peers.

Consider, for example, teachers in independent schools who are paid considerably less than their public school counterparts. The evidence suggests non-monetary factors an environment conducive to learning, seeing positive results in student performance and control of the classroom motivate these teachers.

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[7] For a detailed discussion of alternative skills-based pay systems in education, see Odden, A. R. & S. Conley. "Restructuring Teacher Compensation Systems," In Odden, A. R. (Ed.), *Rethinking School Finance: An Agenda for the 1990s* (San Francisco: Jossey-Bass, 1992).

School districts under SBM need to devise new approaches both extrinsic and intrinsic to reward participants. Rewards can motivate individuals to use their enhanced resources (power, information and knowledge) to further districtwide and school-based goals. Rewards also can be used to align the goals of people at the district office and school sites who have different preferences and value different outcomes.

Managing the Change to SBM

The transition to SBM entails large-scale change in educational organizations. Successful decentralization requires that systems and processes be redesigned so that power, knowledge, and information accrue at the operating levels of the school, and so that rewards are contingent on performance and contribution. New recruitment practices are needed to attract people who will thrive on the challenge of working in a decentralized setting; development practices must be altered and greatly supplemented to ensure that participants have needed competencies.

The transformation eventually involves all organizational components, including strategy, structure, technology, processes, rewards and other human resources systems. All of these components need to fit with the new way of managing and with each other.

Large-scale change is threatening to the people involved, because it entails new roles and responsibilities and because it challenges traditional assumptions and values. The change process has to be carefully managed. Several change management strategies are discussed below.

Vision. Large-scale change such as a transition to SBM is such a disruption of the status quo of an organization that it will not be successful unless a compelling case is made for it. Districts embarking on SBM should be very clear about the need for change and the ultimate purpose of the change process.

In the private sector, need is clearly established by the marketplace by the changes that are required to successfully compete and to meet the demands of customers. School districts will have to make a case for the need for change based on gaps in the schools' abilities to meet demands being placed on them and to provide educational services needed by their communities.

Understanding the need for change is the first step in a transition. Having a vision of what the change entails and what it is trying to accomplish is the next. This includes defining high performance in a manner that can be agreed to by the various stakeholders who become partners in the effort. An explicit focus on educational outcomes frames the change to SBM in a way that replaces issues of who gains and who loses power. Developing a shared vision of the organization links people together and provides goals and criteria for change activities and ongoing decisions. School districts and the schools within them should involve stakeholders at all levels in forming the vision, and then in giving it substance at the local level. Superintendents and principals will play a key role in making this happen.

Change structures and roles. In school-based management, creating and empowering the site council often has been the main change intervention. The council is expected to make decisions to change the nature and effectiveness of the education that goes on in the school. Thus, councils become change agents in schools, and should be educated accordingly. They will have to know how to design change in the school and how to manage the dynamics of change, including the natural stages of transition and the resistance that is associated with it.

In addition, as implementation unfolds, the council will likely spawn other change structures to develop and implement new approaches, and the work of various change groups will have to be coordinated and nurtured.

In the private sector, multi-stakeholder steering groups have needed education regarding their own group process, organizational design principles and change management approaches. Although SBM councils often receive training in group process, a more extensive set of skills and knowledge will be required, if the council is to play out its potential to spur meaningful change and improvement in the school.

The role of school management principals and superintendents has not received much attention in SBM plans. Private sector experience has found that such roles are pivotal in successful decentralization. The management role changes from directive and control-oriented to a role that involves creating an empowering environment in which teachers can easily try out new approaches. The new role includes facilitating and coaching for high performance, ensuring that proper resources are in place, making certain that the development needs of participants are addressed, and freeing teachers up to make changes so that school sites truly become the focus of continuous improvement.

Superintendents will have to actively model new leadership roles, set expectations and provide feedback to district-level managers and school principals about the change expected in how they perform their roles. Principals, as the heads of organizational units, will have to provide leadership in the organizational transition, and model and reinforce the new behaviors. Increasingly, principals will find themselves exerting leadership in collective forums, such as councils, where their influence is exercised as a group member rather than hierarchically.

The role of teachers also changes in a fundamental way. Although they have always managed their own classrooms, SBM implies an extension of their focus to include participating in shaping the school environment, creating the school vision, working with other stakeholders to determine goals and objectives, and taking responsibility for resource allocation and use. Their influence shifts from individual control over their classroom domain to influence exercised in a variety of collective forums, including councils, problem-solving groups, and various kinds of work teams.

Other roles also change extensively. Participation by parents, students and other community stakeholders on school councils implies a basic shift from advocating personal viewpoints to participating in a forum that must take a schoolwide view and address the concerns of many different stakeholders.

This will require considerable team building to develop trust and willingness to work through differences and develop a consensus.

Even the role of district staff changes from planning and overseeing various aspects of school functioning to becoming responsive service groups whose customers are the operating units in the schools. Increasingly these groups will exist to support changes emanating from the schools rather than to initiate change that will be rolled out to the schools.

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In sum, the transition to SBM involves extensive change in roles that must be accompanied by intensive development of new skills and capabilities. It cannot be understood simply as a transfer of power. Rather, it is the establishment of new and vital roles for many stakeholders, and it will not succeed unless development is planned and resources are provided.

Resources. In the private sector, the transition to decentralized management has been found to unfold over a minimum of three to five years, during which the capabilities of the organization are gradually enhanced and the systems, processes and structures are brought slowly into alignment with the new decentralized vision. This process requires a tremendous amount of resources: time, energy and money. It is an investment in the capabilities of the organization.

Among the key resources are time and money for the extensive skills-development process required to support the new way of functioning. Development of individuals' capabilities and team development of the various councils and other collaborative structures require finding expertise to help with the process and time for it to occur. Schools will have to find ways to free-up participants for such development.

In addition, school districts will have to invest in the development of new site-based information systems, including measurement and feedback systems, financial and budgeting systems, and new reward systems. The development of these systems will take expert time, but also should be done in a participative way so that the various stakeholders understand and help shape them. Again, this involves freeing up people to participate.

State and Local Policy Implications

Redesigning educational systems to improve student learning and school performance requires considerable initiative and effort by individuals at the school sites. For the process to be successful, however, there also needs to be encouragement and support by those at district and state levels. Here are some initiatives that can be undertaken by states and local school districts based on what we know about successful decentralization in the private sector.

Power

States could devise a timeline for transferring budget and personnel authority to school sites and require full transfer by some specified date.

Local districts could exercise oversight over outcomes rather than process. Districts also could take the lead in redefining the role of the central office as supportive rather than compliance-oriented, and encourage the development of new structures at the school site to move power closest to those responsible for educating groups of students.

Information

States could develop a prototype information system of fiscal, student, teacher and outcomes data that includes all the key elements needed to engage in SBM. States also could devote resources to disseminating information about educational innovations to SBM participants throughout the state.

Local districts or consortia of local districts could design the computer systems needed to make information available on-line to each school site about how resources are being utilized, satisfaction indicators, achievement indicators, and other relevant measures, so that schools could track trends and compare themselves with similar school units.

Knowledge and Skills

States could set aside, over a five-year time period, a fixed percentage of total education revenues (2-3 percent) for professional development that is more in line with skills development budgets at the most productive private companies.

Local districts could initially use those funds to train council members, district and school leaders, and teachers in their new roles and responsibilities. Over time, the funds could be given to schools for use in ongoing, site-based professional development activities.

Rewards

States could devote resources to developing templates for a pay system that would include skills-based pay, cost reduction gainsharing for schools that are able to increase performance while decreasing costs, and other forms of group-based performance pay, like Kentucky is in the process of doing. A state-mandated accountability system could peg performance rewards to a structure of goals and legitimate performance measures.

*Local district*s could offer to pilot the new pay system in individual schools for which the district has waived personnel regulations, including union contracts. Individual schools, in turn, would have the flexibility to design specific features of the pay system that would make it operational at their school site.

Conclusion

School-based management is an organizational approach that expands the local school site responsibility and authority for the improvement of school performance. Ideally, it provides local mechanisms for the introduction of new approaches to education that result in enhanced outcomes and that better fill the needs of the local community.

The implementation of SBM represents a fundamental and systemic organizational change to increase the local presence of four key resources: power, information, knowledge and skills, and performance-based rewards. In schools, SBM has been approached largely as a political phenomenon involving the transfer of power to local councils.

Studies of decentralization in the private sector, however, have indicated that decentralization of power is most likely to lead to performance improvement if accompanied by organizational changes that enhance the information, knowledge and skills of local participants and that align the reward system with clearly articulated desired outcomes. This policy brief recommends that states and local districts become active in creating the conditions for effective implementation of SBM.

SECTION THREE:
STUDY AIMS AND STUDY QUESTIONS

PHASE I

AN INTERNATIONAL STUDY OF SCHOOL-BASED MANAGEMENT

UNIVERSITY OF SOUTHERN CALIFORNIA

CONSORTIUM FOR POLICY RESEARCH IN EDUCATION

THE FINANCE CENTER

Purpose of Study

The purpose of this study is to advance our knowledge about how school-based management, when combined with ambitious curriculum and instruction reform, can work to improve the performance of schools. The study, which represents our second phase of research on SBM, builds on findings that were generated in phase one when we took an in-depth look at the literature regarding decentralized management in schools and the private sector. Although we found little written about how or whether SBM works to improve schools' performance, we found that companies in the private sector were able to boost productivity by decentralizing decision making including power over budget and personnel, knowledge (training and professional development), information and rewards. In the second phase, we will apply this framework to schools in order to produce practical design and management strategies to help schools increase their performance through school-based management.

What We Expect To Learn

1. What mechanisms exist for decentralizing power, knowledge, information and rewards in schools and how do they work?

2. How do SBM reforms combine with reforms in the areas of curriculum and instruction to improve student learning and school performance in general?

3. What changes result from SBM and how is school performance affected?

4. What factors are important to the successful implementation of SBM?

Study Sites

We will study school-based management in Australia and England, and in three school districts in the United States. We are most interested in sites where school-based management has been underway for three or four years; where significant budgetary authority has been devolved to schools; and where there is a strong push (either from the state, district or school) for curriculum and instruction reform.

In each site, six schools -- two elementary, two middle/junior and two high schools -- will be studied. Our intent is to examine active schools that are having a range of success in making changes and improving performance in order to determine what makes SBM work.

Study Methods

Our primary method of data collection will be on-site interviews with district officials and administrators, including the superintendent, assistant superintendents, the Union president and selected school board members. We also will visit schools to interview members of decision making councils and some additional teachers and administrators. All teachers at each of the sample schools will be asked to complete a short (10-15 minute) survey, which we plan to administer during an already-scheduled faculty meeting.

We will spend one to two days conducting interviews in the district office and one day at each school. Prior to our visit, one or more telephone interviews will be required to gather preliminary information about the district and its reform efforts.

Deliverables

All participating districts will receive all write-ups of study learnings. In addition, each school will receive summary findings from the short survey that will be administered to its teachers.

Note Regarding Confidentiality

Districts will not be identified in any write-ups unless permission is obtained or identification is requested by the district. Individual schools will not be identified at any time. Individual interview or survey data will be strictly confidential.

PHASE II

AN INTERNATIONAL STUDY OF SCHOOL-BASED MANAGEMENT

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CONSORTIUM FOR POLICY RESEARCH IN EDUCATION

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Purpose of Study

The purpose of this study is to advance our knowledge about how school-based management, when combined with ambitious curriculum and instruction reform, can work to improve the performance of schools. The study, which represents our third phase of research on SBM, builds on findings that were generated in phases one and two. In phase one, we took an in-depth look at the literature regarding decentralized management in schools and the private sector. Although there was little written about how or whether SBM works to improve schools' performance, we found that companies in the private sector were able to boost productivity by decentralizing decision making including power over budget and personnel, knowledge (training and professional development), information and rewards. In the second phase, we applied this framework to schools to develop practical design and management strategies to help schools increase their performance through school-based management. Our aim in phase three is to better understand how decentralized governance and management mechanisms can support new approaches to teaching and learning, particularly in the areas of mathematics, science and social studies, to produce high performance schools.

What We Expect To Learn

1. What mechanisms exist for decentralizing power, knowledge, information and rewards to help schools learn and improve classroom practice?
2. What governance and management changes are needed to support new approaches to teaching and learning, and to support the innovation process itself?
3. What innovations in classroom practice have been introduced through school-based management and how is school performance affected?

Study Sites

We will study school-based management in six school districts in the United States, and also in Australia. In each district, two schools -- one elementary and one high school -- will be studied. We are most interested in schools where school-based management has been underway for three or four years; where schools have significant budgetary and personnel authority; and where there has been significant restructuring in the areas of curriculum and instruction. Our intent is to examine schools in site-based managed districts that are successfully restructuring to improve classroom practice, in order to determine how school-based management can support new approaches to teaching and learning.

Study Methods

Our primary methods of data collection will be on-site interviews (with principals and teachers) and classroom observation. Schools will be visited by a two-member research team with expertise in curriculum and school-based management. The team will spend two days at each school. All teachers at each of the sample schools will be asked to complete a survey and they will be paid for their time.

Prior to our visit, one or more telephone interviews will be required to gather preliminary information about the school and its reform efforts. These will include several interviews with district officials to get an overview of school-based management in the district, and of district support for restructuring curriculum and instruction.

Deliverables

All participating schools will receive write-ups of study learnings. In addition, each school will receive summary findings from the teacher survey that will be administered to all faculty members.

Note Regarding Confidentiality

Individual schools will not be identified at any time. Individual interview and survey data will be strictly confidential. Districts will not be identified in write-ups unless permission is obtained or identification is requested by the district and individual schools.

SECTION FOUR: CROSS-SITE ANALYSIS

New Boundaries for School-Based Management: The High Involvement Model

Abstract

A major challenge facing reformers who are demanding high levels of performance from the educational system is to enable schools to make changes in the way they deliver services to create high performance. This article examines the utility of school-based management (SBM) as a means for generating school improvement and applies a model of high involvement management, developed in the private sector, to determine what makes SBM work and under what conditions. Emerging from the analysis is the importance of expanding the definition of SBM to include aspects of organizational redesign beyond the traditional boundaries of shared power in order to create the capacity within schools to develop high performance.

Introduction

While school-based management continues to be a priority in state and district reform efforts across the county, there is scant evidence linking SBM to improved school performance (Ogawa & White, in press; Fullan, 1993). Part of the explanation, argued by us and others elsewhere (Wohlstetter & Odden, 1992), is that improving school performance may be an unrealistic expectation for a *governance* reform that alters the balance of power within educational systems toward schools. A means-end relationship between governance and school improvement is difficult to argue in the absence of some kind of instructional guidance mechanism that sets forth the direction of change with regard to curriculum and instruction -- the technical core of schooling. Consequently, if one goal of reform is to create high performance schools, a key research question related to the evaluation of SBM is: Can SBM when combined with a push for curriculum and instructional reform produce school improvement? In other words, when a direction for curriculum and instruction is provided, does SBM enable schools to redesign themselves for high performance?

Also of interest to this research are the organizational design mechanisms associated with SBM. Traditionally, SBM policies (as well as research on SBM) have had a limited focus on issues related to power, such as how much power should be devolved to the school site and who should be the ultimate authority on the campus. However, what we know from decades of organizational research is that organizational performance improves not only when power is shifted down to lower levels of the organization, but also when those empowered are trained for their new decision-making roles, have information to make informed decisions and are rewarded for high performance (Lawler, 1986). This framework of high involvement management offers hunches about conditions that might enable schools to make changes in the way they deliver their services to create high performance. Thus, if our goal is to create high performance schools, it is arguable that the boundaries of SBM need to be expanded beyond involvement of school-level people in organizational decision-making. It should be defined as an overall approach to involving participants in the management of schools that includes in addition to decision-making power increased professional development to prepare participants for expanded roles in the governance process and in the operation of the organization. Access to information related to management and performance, and reward systems that motivate and reinforce effort to produce high performance are also elements of the high involvement model. The argument is that providing instructional direction through an instructional guidance mechanism and moving decisions into the schools are not enough. These other resources -- information, knowledge and skills, and rewards -- will be required if school-level actors are to have the capacity to make the changes required to implement the new directions.

In sum, the research reported here, which focuses on the utility of SBM as a means for schools to generate performance-oriented changes in their instructional practices, is distinguished in two ways. First, it evaluates SBM in reform contexts where there was a push for curriculum and instruction reform, either from the state or the district. Second, the study goes beyond traditional boundaries of SBM by applying a model of high involvement, developed in the private sector, to better understand mechanisms that may contribute both to the successful governance of schools and to curricular and instructional reform in classrooms. The findings confirm the importance of expanding the definition of SBM to include aspects of the organization beyond decision-making power in order to create the capacity within schools to develop high performance. For practitioners and policy makers, this research offers practical design and implementation strategies to help schools improve their performance through SBM.

The High Involvement Framework

The recent history of SBM, under the rubric of community participation, decentralization or teacher empowerment, can be traced back to the 1960s. Then, as well as now, reformers often adopted SBM for ideological reasons as a means of democratizing schools (David, 1989; Malen, Ogawa & Kranz, 1990). Embedded in the theory of reform also was the purpose of school improvement. Through SBM, decision-making authority was extended down the professional hierarchy to stakeholders not traditionally involved -- teachers and parents -- and once empowered, these groups who were closest to the students would make better decisions and school performance would improve. Schools often were instructed to create councils of stakeholders at sites and those councils usually were vested with varying amounts of authority in the areas of budget, personnel and curriculum (Clune & White, 1988). Once councils were set up and power (at least on paper) was transferred, district offices felt they had accomplished the reform and were ready to move onto the next. Research on SBM was concerned with questions related to politics (see, for example, Wohlstetter & McCurdy, 1991).

Lawler, in work conducted primarily in the private sector, confirms the importance of power for improving organizational performance, arguing that it is a necessary but insufficient condition. Employees must have power -- especially in the areas of budget, personnel and work processes -- to make decisions that influence organizational practices, policies and directions. In Lawler's framework of high involvement management, there are three other organizational resources that need to be decentralized in order for employees to have the capacity to create high performance organizations:

- Knowledge that enables employees to understand and contribute to organizational performance. Knowledge includes both technical knowledge to do the job or provide the service; business knowledge for managing the organization; and interpersonal, problem-solving and decision skills for working together as a team.

- Information about the performance of the organization. Such information includes data related to production (revenues, costs, sales, profits, cost structure); customer satisfaction; and benchmarks with other companies.

- Rewards for high performance, including adjusting the compensation structure to be aligned with the behaviors, outcomes, and capabilities required for high performance. Employees may be paid on the basis of the knowledge and skills needed in the work environment to get the job done. There also may be performance-based pay that is allocated on a group or team basis and may include, for instance, profit sharing, gain sharing or group-based salary bonuses (Mohrman, Lawler & Mohrman, 1992).

In sum, Lawler's model posits that four resources -- knowledge, power, information and rewards -- create the conditions that enable employees within the organization to restructure for high performance. If SBM is viewed as a school improvement reform, Lawler's work suggests that districts need to transfer more than power over budget, curriculum and personnel to the school site. Schools, like high performance organizations in the private sector, also need to involve the school community in professional development opportunities (knowledge and skills), to share information broadly, and to reward participants, if they are to be successful at restructuring curriculum and instruction and improving school performance.

In the study reported here, Lawler's notion of high involvement management offered a framework for evaluating SBM. The suitability of the framework to schools is suggested by Lawler's findings that high involvement management is most appropriate for service organizations that engage in knowledge production; that exist in a changing environment and have complex job tasks requiring constant decision-making; and that are characterized by interdependence among tasks within the organization. All of these traits apply to schools (Wohlstetter & Odden, 1992; Mohrman, Lawler & Mohrman, 1992). Also noteworthy is the fact that such learnings from the private sector were gleaned during a time when these organizations were faced with a situation currently confronting American public schools -- namely performance that was not meeting the requirements of a changing environment, and few prospects of new money to infuse into the organization. The parallels between schools and organizations in the private sector where high involvement management has been successful argue for a test of a broader conceptualization of SBM. Application of the high involvement framework suggests that for schools to enjoy the greatest success in improving performance, power would be devolved to the school site, and there would be an emphasis on increasing the knowledge and skills, information, and rewards at the school-level. The underlying hypothesis is that, with those resources, critical conditions necessary for creating a high performance organization would be present and schools would have the capability of implementing strategies for improving school performance. This study explores the applicability of this framework by examining whether these four resources are more likely to be present in SBM schools that are achieving success in implementing curricular and instructional changes than in SBM schools where such changes are not forthcoming.

The Study

The basic research question guiding this study was whether and under what conditions SBM could provide the capacity where school-level educators would introduce changes to curriculum and instruction designed to improve performance. The research also was concerned with testing whether the high involvement model describes the conditions that enable schools to introduce improvements. Our research applied the high involvement model and examined: 1) Mechanisms that existed for decentralizing knowledge, power, information and rewards in schools and how they worked; 2) How SBM reforms combined with reforms in the areas of curriculum and instruction to improve school performance; and 3) Factors that were important to the successful implementation of SBM. We also were interested in a comparative perspective that would inform why SBM in some schools produced change in curriculum and instructional practices -- what we called actively restructuring -- while other schools in the same district were struggling and little change had occurred. This article presents an analysis of whether these two sets of schools differed along the dimensions that constitute the high involvement model. The expectation is that schools that are actively restructuring will be characterized by a greater distribution of power, information, knowledge and skills and rewards to school-level participants.

The Districts

Past research has shown that SBM is everywhere and nowhere (Wohlstetter & Odden, 1992). Everywhere because school systems all over the country are involved in SBM (Clune & White, 1988; Malen, Ogawa & Kranz, 1990) and nowhere because the extent of decision-making responsibility devolved to the school is limited (Clune & White, 1988; Malen & Ogawa, 1988; Wohlstetter & Buffett, 1992). In selecting districts for this research, the aim was to focus on exemplary SBM districts, so that the phenomenon we wanted to examine was in fact in place. Using a nomination procedure that involved consulting with university and policy researchers, federal, state and local policy makers, and practitioners including district and school-level educators,[8] districts were identified and screened to ensure that: SBM had been underway for three or four years; significant authority had been devolved to schools; and there was a strong push (either from the state or the district) for curriculum and instruction reform.

The research reported here is based on data collected in four school districts in North America -- Edmonton, Canada; Jefferson County, Kentucky; Prince William County, Virginia; and San Diego, California.[9] The districts typically adopted SBM about four years ago; at the extreme was Edmonton where the first pilot began in the late 1970s. Schools in the sample districts generally had substantial authority in terms of the budget. They were able to some extent to decide the mix of personnel (although state law and union contracts constrained this in some districts), to carry-over some funds from one year to the next and to purchase some services from outside the district. All four districts were implementing SBM in combination with curriculum and instructional reform, but there was variation in terms of who was providing the instructional guidance system. In San Diego and Jefferson County, the state provided direction in the areas of curriculum and instructional reform. In Prince William County, the district played the key role, although curriculum reform was lagging the implementation of SBM. In Edmonton, the district through its curriculum department played the predominant role, however, the province (state) provided general goals and a broad curriculum framework that drove local effort.

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[8] In September 1992, a national conference was held in Washington, D.C. to present findings from the first year of this research project and to solicit input from a range of audiences -- federal, state and local policy makers and practitioners -- on its future direction, including the nomination of school districts that held potential for future study.

[9] Similar research methods were used to study SBM schools in Victoria, Australia. The research results are reported in A. Odden and E. Odden, *Applying the High Involvement Framework to Local Management of Schools in Victoria, Australia* (April, 1994).

Aside from the screening criteria, districts were selected to represent a range of school-based management policies. Three of the districts we studied mandated that schools adopt SBM; the one exception was Jefferson County where SBM was voluntary and the vote to adopt SBM was a school-level decision. Some plans -- in Jefferson County and San Diego -- required site councils with heavy teacher involvement; in Edmonton and Prince William, SBM plans empowered principals, although in Prince William the principals were explicitly directed to involve teachers and the community in decisions and planning. In terms of the catalyst for reform, superintendents typically initiated the move to SBM among our four districts. However, in Jefferson County the teachers' union also played a major role: the reform was brought to the negotiating table and enacted through contract language.

In each of the four districts, we studied six schools -- two elementary, two middle/junior and two high schools. At each level of schooling, we studied one actively restructuring school that had been successful in making concrete changes in the areas of curriculum and instruction, and one struggling school that was active with SBM but far less successful in making changes. This approach was taken to make it possible to examine what conditions were present when SBM led to changes in teaching and learning. The identification of struggling and actively restructuring schools was by either the district superintendent or the associate superintendent for curriculum and instruction. In most cases, nominations were solicited from area superintendents and/or curriculum specialists in the district office and the following definitions were used:

1. "Struggling schools" had active SBM governance activities in place, but had not made concrete, observable changes in their approaches to instruction.

2. "Actively restructuring schools" had active SBM governance activities in place, and had made concrete, observable changes to their instructional approaches.

In order to accommodate the study design, we focused our research in large school districts. The enrollment in San Diego was approximately 125,000 students. In Jefferson County, there were about 95,000 students. Prince William County enrolled 45,000 students and the student population in Edmonton, Canada was about 79,000 during the 1992-93 school year.

Study Methods

To gain an understanding of SBM and the conditions leading to school improvement, each district was visited by a team of three researchers for one week. During that period, interviews were conducted at the district office with the superintendent, four assistant superintendents (for school-based management/restructuring, curriculum/instruction, personnel and finance), selected school board members and the union president -- a total of about nine individuals in each district office. These interviews collected information about the state and district context, including district-level aspects of SBM and curriculum change. Site visits to schools typically included interviews with the following people: the principal, vice-principal, members of the site council (including administrators, teachers and parents), union chair, resource specialists or selected department chairs, and several other teachers with differing perspectives on SBM and curriculum/instructional change. The interviews focused on the chronology and implementation of SBM, its form and context, and its impacts on teaching and learning, on the organization of the school including mechanisms for distributing power, information, knowledge and skills, and rewards, and on perceptions of the school district, and the involvement of various participants and stakeholders. At the district-level, a total of 38 interviews were conducted across the four districts. At the school-level, we averaged about seven interviews per site for a total of 161 interviews in 23 schools.

In addition to interviews, faculties at school campuses were asked to complete a short survey. The survey was designed as a broader check on the attitudes of the staff regarding SBM than was possible from the subset of staff who were interviewed. The survey asked respondents to rate how satisfied they were with SBM, the amount of influence campus constituencies had on SBM, how much support existed for SBM and to what extent SBM had influenced campus outcomes. Open-ended questions asked participants to identify factors that facilitated and were a barrier to the application of SBM to the improvement of teaching and learning on campus.

The discussion, which follows, reports on information gleaned from 23 schools in four districts. Slightly more than half of the schools we studied were classified as actively restructuring, based on their success in making changes aimed at improving instructional effectiveness; the other half were classified as struggling -- schools that were active with SBM but where classroom practice had not changed much.[10] Some of the changes in curriculum and instruction that had been instituted in actively restructuring schools included: team teaching; non-graded, mixed ability groups; cooperative learning; writing across the curriculum; interdisciplinary instruction, and hands-on instruction (performance events).

The methodology employed is a comparative case analysis. Researchers wrote rich case descriptions of SBM, school improvement areas and organizational features including mechanisms for sharing knowledge, information, power and rewards in each school. The cases were then examined to find patterns where actively restructuring schools differed from struggling schools in these areas. The remainder of this article describes those patterns.

Results and Discussion

Knowledge

In traditional school districts, professional development activities focus on training related to curriculum and instruction, and compared to the private sector, the investment is generally fairly skimpy. Consider, for example, that businesses in the private sector on average devote about 1.4% of payroll costs to training, while schools commonly expend as little as 0.5% of the budget on training (Bradley, 1993). As schools under SBM take over management responsibilities from the district, the need for technical know-how expands beyond content and pedagogy to include functional skills (e.g., budgeting) and skills related to SBM, such as group problem-solving, conflict resolution and time management.

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[10] Our original intent was to have a sample of 24 schools -- six each from four districts -- evenly divided between "struggling" and "actively restructuring". But, one "struggling" elementary school dropped out of the study at the last minute and so one district in the sample had only five schools represented.

Across the four districts, the teachers' contract dictated the number of staff development days that each campus was responsible for delivering. Two of the districts we studied created new organizational arrangements to supply support services to schools. Jefferson County had extensive staff development opportunities available to schools through the Gheens Academy, the staff development office of the district, with an annual budget of more than one million dollars. The district's priority on professional development was also evidenced by the status accorded the director of Gheens -- a position that was at the associate superintendent level and in the superintendent's cabinet. Furthermore, when schools in Jefferson County voted to adopt SBM, the district provided extra money for professional development. Edmonton, Canada also offered extensive staff development through its Staff Development Office, directed by the Associate Superintendent for Consulting Services. Consultants were available for customized campus training and teachers frequently traveled to the district office for development activities, which were offered after school hours and on weekends to encourage teacher participation. Edmonton also supported a large professional library for teachers and administrators, as did the Gheens Academy in Jefferson County. Such initiatives contrast sharply with recent findings suggesting that staff development funds typically are among the first to be cut in tight budget times "because its importance hasn't been recognized and because political realities make it an easy mark" (Bradley, 1993, p. 17). On the other hand, the picture was not entirely rosy in the four SBM districts. San Diego was in the middle of significant budget problems and viewed their inability to support extensive staff development as a barrier to effective SBM implementation. Prince William County invested heavily in staff development for principals, and then they relied on principals to develop their staffs, an approach that achieved unequal success. District administrators in both these districts felt they had underestimated the extent of staff development required to support SBM.

In the area of knowledge and skill development, there were identifiable differences between actively restructuring and struggling schools. In actively restructuring schools, there was intense interest in professional development, and professional development was viewed as an ongoing process for every teacher in the school and the principal. In ratings of professional culture, for instance, respondents typically felt teachers were extremely oriented toward "continuous improvement." Such schools worked to build the capacity of the entire staff to help manage the school. School-wide staff development also helped to promote a professional community among faculty and to develop a common knowledge base among all members. The content of the training, likewise, tended to cover a wide range of areas from budgeting and scheduling to curriculum and instruction areas (i.e., team teaching, writing across the curriculum). Staff at actively restructuring schools also took advantage of opportunities to receive management training focused on shared decision-making skills like how to run effective meetings or how to build consensus. This difference was apparent even in the districts that were short on training and development resources. Actively restructuring schools in these districts were more likely to take advantage of limited district offerings and support, and to write supplemental grant proposals to get targeted training dollars from outside the district. They also solicited training support from businesses in areas such as total quality management, planning, and group process.

Struggling schools, on the other hand, had more sporadic training for staff and, beyond required development days, offered few opportunities for whole school development. Whereas actively restructuring schools often had an emphasis on bringing whole faculties together sometimes for an extended period of time, like at a retreat for a few days, schools that were struggling tended to continue to view staff development more as an individual activity. The Gheens Academy in Jefferson County publicly encouraged schools to send cross-role teams and had a general pre ference for training people from the same school in groups, rather than individuals from many different schools. Professional development opportunities at schools that were struggling were more in line with findings from earlier research on SBM -- namely that training typically was too general/standardized or so narrow that it didn't speak to the day-to-day realities of the school (Johnson & Boles, in press). In sum, professional development activities in actively restructuring schools were broadened to include a larger proportion of the staff and to include a wider range of knowledge and skills than are found in traditional districts and in the struggling schools we studied. These findings complement those from a recent study of Chicago school reform where researchers concluded that successful schools had moved toward "more sustained, school-wide staff development" (Consortium on Chicago School Research, 1993, p. 26).

Traditionally, in-service training and other staff development workshops are conducted by administrators from the district office who not only deliver the training but also decide its content and timing. By contrast, in SBM schools professional development typically is a bottom-up activity where school-level actors define their own needs and how services will be delivered (Wohlstetter & Buffett, 1992). In actively restructuring schools, sources of training outside of district offerings and even outside of traditional education circles often were tapped. For example in Jefferson County, representatives from Rohm and Haas, a chemical company, trained school staff in group problem solving, participation, management and leadership skills, and many of the principals in the district went through South Central Bell's management training program. Two actively restructuring schools in Prince William County sent administrators and several teachers to Xerox workshops on Total Quality Management. The teachers later conducted in-services at the school sites to train colleagues. In addition, many of the actively restructuring schools applied for available grants that provided staff development funds to stimulate school reform. There was a notable absence of such activities in the struggling schools.

Our findings in this area support the importance of capacity building for redesigning organizations. Actively restructuring schools generally sought out resources for and implemented higher levels of professional development and involved more of the school community in training. These patterns suggest important connections between professional development and SBM: 1) it is difficult for schools to accept responsibility for management (and for organizational outcomes) without technical know-how; and 2) school staffs who direct local governance activities actively seek out staff development to build new capabilities. The importance of these findings are underscored by previous research in SBM schools that found both limited attention to professional development and a preoccupation among participants with process over outcomes (Ogawa & White, in press; Johnson & Boles, in press).

Power

By definition, SBM schools have power structures that are different from most public schools in America. In traditional schools, initiatives tend to emanate from the top of the organizational hierarchy with the superintendent and school board. By contrast, SBM schools are places where significant authority has been devolved from the district office to the school campus and initiatives come more often from the schools themselves. Policy decisions related to how power should be decentralized to schools focus on two major issues -- who should be empowered at the school site and how much power should they have. In the four districts we studied, there was some variation in terms of where such policies were set. In Jefferson County and Prince William County, SBM plans largely were designed by schools that were allowed to set their own parameters, including the composition of the council and the choice of who could chair. In San Diego, the district and union issued broad guidelines, including specification of teacher membership ratios for the councils. The change agendas of the councils were left to the school to decide, although school plans and goals were required in several districts. In Edmonton, school plans were expected to incorporate outcomes, expectations and indicators set by the district.

This section examines three issues related to devolving power and its influence on the capacity of the school to restructure itself: 1) participative structures; 2) the role of the principal; and 3) the amount of authority devolved.

Participative Structures. Councils at SBM schools typically consisted of elected representatives of various stakeholders in the school (e.g., teachers, parents, classified employees and campus administrators). Interestingly, councils under specific mandates did not look all that different from councils designed under loose guidelines in terms of membership, leadership and areas of jurisdiction. Edmonton was the only district of the four where no council was created at the school site; all teachers were considered part of the governing body and principals devised their own methods (usually informal) for obtaining teacher input. For the parents' perspective, Edmonton schools consulted their specially-created parent advisory councils. The role of this body was not to design policy, but to provide input on parents' views and desires that the school then could incorporate into its decisions.

Once site councils were created, schools, particularly the actively restructuring ones, tended to further disperse power at the site by creating subcommittees. A common conclusion in research on SBM is that teachers become frustrated and burned-out from the enormous workload of teaching and managing. Subcommittees allowed greater numbers of teachers to participate in the formal decision-making process and also seemed to help reduce the burden on any one teacher.

The subcommittees, which were structured around issues related to schooling such as curriculum, assessment and professional development, also seemed to focus teacher energy and interactions on specific work tasks, not abstractions like "culture" or "empowerment." Hannaway (1993) found similar benefits to subcommittees in her study of two school districts that had decentralized effectively. Subcommittees in some actively restructuring schools tended to serve as work groups for the site council, alternatively receiving ideas from the council to develop and submitting ideas/recommendations to the council for approval. In other schools, subcommittees initiated activity, receiving input and ultimately approval from the council.

Membership of the subcommittees typically was some combination of teachers who served on the council and those who did not. In some actively restructuring schools, non-council teachers chaired the subcommittees. These schools tended to view subcommittees as a further dispersion of power on campus; the subcommittee structure allowed greater numbers of teachers to hold leadership positions. Other schools had council members chair the subcommittees. Respondents from these schools tended to view the subcommittee chairs as liaisons to the council and during interviews, focused on the need for a tight link between the school site council and its subcommittees.

The profile of a fairly representative actively restructuring school included an eleven-member governance council composed of the principal and seven teachers elected by each of the teaching teams. Parents and classified employees also served on the council. Although members were elected to serve, council meetings were open and in this school any faculty member attending the meeting enjoyed full privileges, including being able to vote. The school had six standing committees: 1) instructional materials, 2) students services, 3) staffing and budget, 4) planning, 5) curriculum and 6) professional development. The chair and vice-chair of each subcommittee were non-council teachers, although each committee had council teachers, too. Ad hoc committees were created as needed; scheduling, for example, was handled through an ad hoc committee.

The effectiveness of the councils tended to differentiate actively restructuring and struggling schools. Struggling schools got bogged down in establishing power relationships on campus. These schools expended large amounts of energy formalizing who was empowered. The majority of struggling schools had strict guidelines that delineated authority. They tended to empower a subgroup of the faculty and to have only a limited number of mechanisms for involving faculty in decision-making. Furthermore, the guidelines that delineated who had power were very clear leading to feelings of "we" -- the empowered -- and "them". One struggling school in San Diego spent almost a year developing a governance document that strictly delineated power roles. The document established, for example, that only elected teacher representatives, or their alternates in the event of an elected member's absence, could speak at council meetings. Further, only the elected member, not the alternate, was able to vote. The Consortium on Chicago School Research (1993), likewise, found that in schools with "adversarial politics," conflicts about power tended to dominate discussions and the schools' ability to focus on improvement efforts was greatly diminished.

It also was common for principals in struggling schools to be involved in a power struggle with their staff. This frequently was precipitated by the disjuncture between the principal's espoused view of how the school worked -- participatory management -- and her/his own management style. It especially became evident when the principal's personal values were in conflict with actions advocated by the council. In one struggling school where the council adopted a "zero tolerance for fighting" policy -- meaning that any student involved in a physical altercation was subject to immediate suspension -- the principal actively undermined the council's decision by not enforcing it, even though the policy was incorporated into the student handbook. Thus, when teachers sent students to the office for fighting, they were not likely to be suspended, especially if it were their first offense. The non-support of the principal had alienated and divided staff, and the school consequently was spending lots of time on issues of control.

The Role of the Principal. Successful principals were able to motivate staff and create a team feeling on campus, as well as guiding and providing a vision for the school. Notably, there was little difference in leadership style between Edmonton, on the one hand, where the principal was the key decision maker and the other two districts where the site council had more authority. In the private sector, research by Peters and Austin (1985) stresses the importance of MBWA -- "management by wandering around." Principals at actively restructuring schools often employed this technique by routinely engaging faculty in timely and informal conversations in the halls away from their offices. In addition, these principals almost always were characterized as entrepreneurial. They sought out grant opportunities and then encouraged faculty to write proposals for the funding of innovations that addressed school-initiated concerns, like the integration of technology across the curriculum. Successful principals also typically served as a liaison to the outside world with regard to educational research and practice, gathering information to share with teachers at faculty meetings and the like. Research and innovative approaches, such as Howard Gardner's Multiple Intelligences, Caught in the Middle, or Deming's Total Quality Management, were disseminated frequently and often used to improve instruction on campus. Many principals viewed themselves as an information clearinghouse.

Many of our findings regarding principal leadership echo findings from research on effective schools (Purkey & Smith, 1985, 1983; Wilson & Corcoran, 1987; Austin & Holowenzak, 1985) and more recent studies of school decentralization (Bimber, 1993; Consortium on Chicago School Research, 1993). Principals in the actively restructuring schools were highly regarded by the faculty -- "this school runs like a tight machine because of strong leadership." However, contrary to previous research, we found that in several actively restructuring schools the principals moving away from the role of instructional leader toward more of a managerial role. The principals worked to shield teachers from concerns in which the teachers had little vested interest or expertise, so that they -- "the instructional experts" -- could concentrate on teaching. One principal, for example, increased his visibility in the community to encourage people to come directly to him with non-instructional problems, which then could be resolved without infringing on faculty time.

The Amount of Authority Devolved. With regard to the amount of power decentralized, this study did not find a strong, simple relationship between the absolute amount of authority a school has and its capacity to restructure. Findings suggest, however, that a minimum threshold of authority -- focused on factors that affect teaching -- is a necessary condition for active restructuring. The level of authority a campus has is typically dictated by the model employed by the district the school is in. Schools in our sample had significant authority over budget -- most controlled a lump sum budget; personnel -- schools to some extent controlled the mix of staff positions; and curricular decisions -- within state and local constraints, schools could make operational decisions about curriculum delivery.

Like previous research (Wohlstetter & Buffett, 1992; Clune & White, 1988), we found that the first area of control that schools attained was usually some degree of budgetary authority. At least part of the budget of the schools in our sample was allocated to the campus as a lump sum. The primary complaint of both actively restructuring and struggling schools was that after paying salaries and other fixed costs, few discretionary dollars remained. Indeed, upwards of 90-95% of the school budget was often determined before dollars were allocated to the school site.

The budgeting process was another area that differentiated actively restructuring and struggling schools. Just as actively restructuring schools tended to disperse power throughout the organization, the majority of them also involved multiple stakeholders in the budget process. The schools made an effort to focus attention on the needs of the whole school rather than balkanizing the needs of academic departments or teaching teams. For example, a principal of an actively restructuring school in Prince William County made a special end of the year budget to keep faculty focused on the school as a whole. At the end of the school year, the principal asked department heads to pool any funds remaining in departmental budgets, so funds could be spent to benefit the whole school. Then a faculty meeting was held to decide how to spend the money. To facilitate decision-making, each department drew up a wish list of things they thought were needed to improve instruction in the school. At the meeting, faculty discussed the lists and decided what they believed would have the most significant impact on the school as a whole. Through this process, academic departments were placed in the context of the whole school.

Control over personnel meant that the campus was able to hire staff that conformed to the culture of the school and to create a mix of staff positions that supported the teaching and learning strategies of the campus. The majority of schools in our sample had some control over which teachers were hired, although schools typically had to hire teachers from district approved lists. It was common for the central administration to make the first cut and then send schools a slate to select from. However, it was also possible for schools to reject an entire slate and request additional possibilities. One complaint of many actively restructuring schools in our sample concerned the acceptance of teacher transfers. While schools often were given wide latitude in selecting new hires, the same schools were often required to accept transfers from within the district. Frequently these teachers were seen as undesirable, often because they did not fit the emerging approaches to teaching and learning; said one principal, "It's a turkey trot."

Actively restructuring schools tended to utilize authority over the mix of positions in innovative ways to support teaching and learning. For example, itinerant resource teachers frequently were hired in different combinations to cover classrooms, so that groups of teachers could have regularly scheduled common planning periods.

All of the schools in our sample could make some curricular decisions on the campus. They described themselves as having control over the "how's" of the instructional program. Generally, the "what's" of the instructional program were outlined in district or state guidelines. Teachers in actively restructuring schools have achieved greater agreement about instructional direction. In Jefferson County, teachers in three schools were unified by frameworks provided by outside reformers -- the Coalition of Essential Schools and the National Alliance for Restructuring Education. But achieving collective agreement also required discussions, off-site meetings and collective planning. Perhaps the most significant common element across actively restructuring schools was the extent to which organizational mechanisms were in place that generated interactions for school-level actors around issues related to curriculum and instruction. Likewise, in actively restructuring schools in Chicago where researchers found sustained discussions about educational issues, time had been set aside for teachers to meet, and places were made available for teachers to congregate and talk (Consortium on Chicago School Research, 1993).

Many of the elementary schools and some of the middle and high schools that were actively restructuring created teaching teams or houses, where a group of teachers (usually 4-6) were responsible for instructing a cohort of students. Decisions regarding curriculum and instruction usually were decentralized to the teaching teams or to a curriculum subcommittee and through such vehicles, teachers had ongoing task-related contact with one another. For example, one curriculum subcommittee at an elementary school solicited ideas in the areas of science, math, language arts and physical education from teachers school-wide to develop an interdisciplinary curriculum framework on health. The product of this effort, with contributions from nearly all staff members, was a curriculum designed to promote healthy lifestyles among students of all ages and abilities. Lesson plans in the curriculum spanned a variety of health-related topics -- the nutritional value of foods, measurement, physical exercise, communication, creativity and safety -- and tapped a range of skills. In one lesson, for instance, students first read and compared nutrition labels on food containers, and then recorded information about the amount of saturated fat, sodium and sugar in different foods. With this information, the students next used math skills to calculate the recommended daily intake of these "three evil S's of foods." At the end of the lesson, as an assessment mechanism, students used their knowledge to plan a creative meal within specified levels of fats and calories.

Besides teaching teams and curriculum subcommittees, school schedules in actively restructuring schools often were redesigned to encourage teacher interaction. One frequently used method was a common planning period for teachers at the same level or in the same subject area. Teachers used this time to develop curriculum and share lesson plans. In addition, some schools went so far as to add an extra period to the school day to allow for planning; sometimes this required a waiver from local policy or the teaching contract. Struggling schools were unlikely to have redesigned the parameters within which the faculty operated, in part because they had not developed a shared vision of how they wanted to teach.

In addition to the large role of site councils, and local school administration, superintendents worked actively to help create the capacity for high involvement. Superintendents were largely aiders and abettors, moving central offices from a directive role toward a service orientation and offering resources (e.g., professional development) to support/encourage school-level change. The district office in Jefferson County offered extra money for professional development to encourage schools to move to SBM. All four superintendents led the charge to develop a service orientation in the district office. All had flattened and downsized the hierarchy in the central office. The Jefferson County superintendent gave each principal the number of a "lightening rod" to call in the district office if they had a problem. If the principal did not get a satisfactory response from the lightening rod, then the superintendent instructed the principals to call him directly. Superintendents in many of the sample districts also worked hard to develop a district-wide culture that encouraged risk-taking by schools. These superintendents reported great variability in the extent to which schools took advantage of changes in the district climate. Some schools had a strong vision, and made modifications and secured deviations from many district-wide practices to help implement their local vision. Other schools laid low, did not challenge past practice, and continued to see themselves as victimized by the district.

Information

In private sector organizations, as in public schools, information about the system historically has been available primarily at the top of the organization. In the United States, the most widely available information about a school are student test scores and those are routinely disseminated from the top of the organization down the hierarchy to the school-level. Information sharing in actively restructuring SBM schools contrasted sharply with this norm: first, the kinds of information disseminated were much broader and second, there was a strong focus on sharing within individual school communities.

Similar to the effective schools research (Lezotte, 1989; Edmonds, 1979), we also found that most actively restructuring schools that we studied had a vision statement, delineating the goals and mission of the school. As would be expected, vision statements focused on the technical core of schooling and often were nested within a district or state framework, depending upon the source of the instructional guidance system. We also observed that by focusing on the goal of schooling, faculties in actively restructuring schools got away from concerns about the governance process -- the kinds of issues that seemed to stymie the struggling schools. The process of writing a vision statement most frequently was a school-wide effort that tended to draw faculties together toward an established purpose. Many actively restructuring schools used professional development days to "retreat" and define the mission and goals for the school. Once completed, the faculty felt they shared ownership in the vision and felt responsible for implementing it successfully. Across all four districts that we studied, school boards had implemented some kind of choice plan. Such policies seemed to force schools to be concerned about attendance and within our sample, resulted in a strong push by schools, particularly the actively restructuring ones, to develop mission statements that distinguished them from their competitors in the district.

Benchmarking information, how the school was doing relative other schools, was often overlooked in the schools we visited. In some cases, even when information was available on campus, only the principal or other school administrators were aware of it. Even in the actively restructuring schools, educators tended to dismiss the relevance of these data.

In Edmonton, there were strong district initiatives to collect and disseminate information to stakeholders. For the past thirteen years, the district has conducted annual surveys of students and staff. In addition, there is a biannual survey of parents and the general public. The biannual surveys are staggered so parents are scheduled one year and the general public the next. The survey results, which focus on the extent to which constituents are satisfied with their school, are released every fall and campuses use the information to identify areas that might need to be changed or improved. The district also sponsors regularly scheduled meetings of school staff at the district office and "key communicators" -- that is, parents who are designated at each school to get information from the district and to disseminate it. All four districts that we studied also had developed or were developing a computer network, electronically linking schools to the district office. However, school-level interviews suggested the networks were not often tapped -- for dialogues between teachers or administrators within or across schools, or between the central office and schools.

In Hannaway's study of two decentralized districts (1993), she also found high levels of information sharing and concluded that such interactions often were a consequence of district initiatives. Here we found that information sharing tended to be primarily a school responsibility with some encouragement from the district office, like in Edmonton. Actively restructuring schools typically had *multiple* mechanisms for communicating information to stakeholders. For instance, schools routinely communicated in writing to faculty what was happening at the school and, to a lesser extent, the district. Information was placed in teacher mailboxes or made available in a central location, such as the teachers' lounge. At the very least, actively restructuring schools made council meeting agendas and minutes available to staff. Many actively restructuring schools also provided teachers with the school budget, student achievement results and information about the curriculum.

Other mechanisms that helped facilitate the flow of information within restructuring schools were common planning periods for teachers and the subcommittee structure. During planning periods, teachers communicated with one another about what they were doing. Thematic units often are implemented school-wide, and lesson plans were shared and modified to use with children of different ages. The subcommittees, which were focused on work tasks, also helped to coordinate the flow of information and work across classrooms and grade levels. Struggling schools, on the other hand, tended to have few mechanisms for sharing information. Further, mechanisms that were in place tended to be informal. At struggling schools, the teacher grapevine was the most frequently cited means of communication. Information shared in this way tended to be incomplete and unsystematic; scarce information, moreover, tended to breed suspicion and was more common in struggling schools.

Among the actively restructuring schools, there was a strong customer service orientation and a strong interest in satisfying the customer. Actively restructuring schools seemed to feel they owed information to the community and consequently, made special efforts to assure that parents were fully appraised of what was happening on campus. The majority of schools had newsletters that were sent to parents, often on a weekly basis. The newsletters included information about the school's budget, student performance data, SBM data (e.g., election results and decisions from council meetings) and curriculum information (e.g., instructional themes for the year). Frequently, parental input was solicited through the newsletters. Actively restructuring schools also used teacher/parent conferences to communicate with parents about school politics and school performance.

Aside from mechanisms within schools, there were innovative mechanisms usually established by the central office to ensure communication between SBM schools and the district. For example, schools in Edmonton, Canada were divided into seven regions and each region was made up of schools without regard to geographic area or grade level. Principals from the regions meet monthly at the central office to discuss what is going on across schools and at the district-level. Further, monthly meetings are held horizontally between elementary, junior and senior high principals. San Diego also keeps schools networked though district-level department meetings. Department chairs from individual schools attend the meetings where district-wide curriculum issues are discussed. Principals also meet in groups with the superintendent once a month. In Jefferson County, principal liaison groups, composed of eight or nine members, give principals an opportunity to share information horizontally with other schools, and vertically with the superintendent.

In conclusion, the schools we studied had many mechanisms in place that encouraged high levels of interaction and information sharing within school communities and across schools. This horizontal orientation is in sharp contrast to the thrust of many SBM plans which typically stress how information ought to be shared *vertically* between individual schools and the district office, usually focused on whether schools are adhering to regulatory policies (Johnson & Boles, in press).

Rewards

Rewarding stakeholders for performance was one area where actively restructuring and struggling schools showed few differences: Rewards for performance were almost nonexistent. For instance, there were no financial rewards in any of the districts we studied for the performance outcomes being sought through work directly related to being an actively restructuring school. Jefferson County awarded extra money for professional development to schools who voted to adopt SBM, which was a district investment in the development of new capabilities, not a reward for performance or outcomes.

Rewards for desired behaviors included reduced courseloads for grant writing and sometimes stipends for attending staff development activities during the summer or on weekends. These were especially utilized in the actively restructuring schools, reflecting both their higher level of improvement activities and their entrepreneurial activity to secure extended funds. Actively restructuring schools also tended to secure grants to pay for staff off-site meetings and teacher support for engaging in various workshops, and to bring in outside trainers.

Recognition was the most frequent mode of rewarding staff both in actively restructuring and struggling schools. It was common for principals to write thank-you notes to staff. One principal at an actively restructuring school in Edmonton described thanking teachers as, "...the daily dose. That's my main job -- to provide a support system for teachers." Another method was to include teacher kudos in school newsletters. Sometimes teachers acknowledged colleagues by putting congratulatory notes, candy bars and sodas in their school mailboxes. A few schools selected a *Teacher of the Year*, and many teachers were nominated for state and community awards.

In some schools, group rewards generally were favored over individual rewards. Some principals stressed the importance of moving away from the idea of winners and losers in order to create a sense of community; thus, in those schools individual recognition among students, as well as faculty and staff, often was not done. Instead, whole faculties were rewarded with staff development activities (accompanied by free dinners), flowers and parties at the end of the school year. One principal had custom-designed cups with the school motto made for everyone. PTAs also helped reward teachers by hosting faculty recognition nights or breakfasts.

Sometimes whole-school rewards for desirable behavior were embedded in district SBM plans. The SBM plan in Edmonton, for instance, offered schools the option of paying their own utility bills and any savings derived could be used by the school as they saw fit. In all four districts where SBM schools were able to carry-over surplus funds, the reward for being frugal was the ability to build-up a discretionary fund for special projects or needs.

"Showing off" was sometimes used to instill a sense of pride in the school. At an actively restructuring school in Jefferson County, the walls in the teachers' lounge and the office hallway were filled with framed awards, newspaper clippings and thank-you letters. There is a saying in the school that if you say something good about the school and stand still long enough someone will put you up on the wall. Principals in these actively restructuring schools typically took an active role in public relations activities aimed at increasing the school's visibility in the community. In part this was a method of developing community understanding, acceptance and pride in the changes that were being made.

Extrinsic rewards were not the only ones that kept teachers motivated. Intrinsic satisfaction also was highlighted during interviews. For instance, teachers found it rewarding to have the power to influence decisions; to be innovative in curriculum and instruction; and to be better able to respond to student needs. At a struggling school in Edmonton, the principal noted that teachers do their job for one reason: they believe what they are doing is important. At another struggling school, a teacher commented, "Are there supposed to be rewards for good teaching? In education, I thought you did it because you liked to do it. If I were in business, I might expect a little more." A similar thought was expressed by another teacher at a struggling school in San Diego: "Believing you're doing the right things makes the school a better place for teachers and students." The atmosphere of an actively restructuring school in Prince William County was described as one where teachers received psychic satisfaction from their work and celebrated each others' successes. As one teacher from an actively restructuring school in Edmonton commented, "We do this because we want to -- we like it." In sum, teachers in both the actively restructuring and struggling schools we studied found the practice of educating rewarding in itself. The idea that teachers are intrinsically motivated is not new to educational research (see, for example, Smylie & Smart, 1990; Cohen, 1983).

Focus on Instructional Improvement

This research found that establishing school site councils does not automatically lead to their application to improve teaching and learning, even when an instructional guidance mechanism is in place at the state or district level. Schools within the same districts varied in their ability to use their school-level power to focus on and effect change.

Across the districts and schools we studied, several characteristics surfaced as key to the capacity of school-level participants to target SBM energies toward restructuring. First, all actively restructuring schools had organizational mechanisms in place that generated interactions for school-level actors around issues related to curriculum and instruction. In struggling schools, teacher isolation continued to be the prevalent culture. The actively restructuring schools we studied offered stories of cross-role training and of teachers in similar positions being trained together; of information being shared by teachers across classrooms and grade levels; and of faculties working together on teaching teams, subcommittees and school site councils. Thus, there were many opportunities for school site employees to mutually influence the emerging direction of the school. While the high levels of interaction created a sense of community, the instructional guidance system regardless of whether it emanated from the state or the district -- provided an agreed to direction that effectively focused interactions on teaching and learning. In essence, the instructional guidance system served as a resource to schools, providing a direction for school-based change. Our struggling schools operated in a context where the instructional guidance mechanism was present, but school-level employees were not directing their energies in that direction. They were concerned primarily with who controls the school. They had relatively impoverished mechanisms for convening school dialogues in general, and around instructional issues in particular.

A related characteristic of actively restructuring schools was a written vision statement that typically was nested within the state or district's instructional guidance system. There was consensus among faculties about where they were, where they wanted to be and how they were going to get there. The principal played a strong leadership role in helping the faculty to articulate a vision by presenting ideas for innovation and by providing the time and support for effective group process. The vision seemed to frame the discussion of school improvement across decentralized work groups and provided a common purpose for faculty to rally behind.

Actively restructuring schools also often had established strong ties with organizations and associates outside the school for professional development and information sharing. Schools sought expert advice beyond the district and even beyond traditional educational circles. Some actively restructuring schools tapped resources in the private sector for management training and for building up their technology capabilities. In sum, we began to see evidence that actively restructuring schools, like effective organizations in the private sector, were optimizing their situation, given the resources they could secure, and they were doing what they were good at and relying on others to do what they were good at.

Conclusion

The research reported here has focused on the utility of SBM, defined in a broader way, for enabling the restructuring of schools for high performance. SBM, therefore, was studied in combination with an instructional guidance system that provided an agreed-to direction for curriculum and instruction. This research was concerned with the conditions that enable schools to use decentralized power to introduce changes that create the capacity for high performance. Applying the framework of high involvement management, we hypothesized that school-level actors, in addition to being empowered, need training to acquire the knowledge and skills necessary for creating a high performance organization; need access to information about the performance of the organization; and need to be rewarded for their efforts. Thus, we were interested in testing a new, expanded definition of SBM that went beyond the traditional boundaries of shared power.

The importance of the first three factors of the Lawler model (knowledge and skills, information, and power) was confirmed in the comparison of actively restructuring and struggling schools. Those schools that were introducing significant change in the teaching and learning process had invested more heavily in the development of both team process skills and instructional staff development. They also had many more approaches to sharing information with multiple constituents. Finally, they had more mechanisms for participation in the governance of the school, and a greater percentage of the faculty were involved.

The area that did not discriminate was the use of rewards, although the actively restructuring schools had found many ways to extend resources, and to provide extra compensation for teachers involved in developing new instructional approaches. Pay for performance was not more prevalent in the restructuring schools.

The lack of extrinsic reward structures in schools is not surprising. Translating the concept of pay for performance to schools is probably the greatest challenge to SBM. Indeed, many would make the case that such an approach is not appropriate for public schools. Skill-based pay schemes in high involvement private sector organizations reward employees for the knowledge and skills they possess. By contrast, the conventional compensation system in education uses indirect, proxy measures of knowledge and skills, namely years of education (level of degree) and years of teaching experience (tenure) (Odden & Conley, 1992). The situation is further complicated by the fact that teacher compensation is negotiated through a union contract, and unions prefer schools and teachers to be treated uniformly throughout the district, which of course flies in the face of differential pay -- the natural consequence of a decentralized reward system. On the horizon, however, are school districts, such as Littleton County, Colorado, that in cooperation with the union are experimenting with differential pay schemes that link teacher pay to teaching skills.

In education, the lack of rewards for performance also may be linked to the issue of measurement. As noted earlier, proxy measures are used to assess teachers' skills, although the work of the National Board for Professional Teaching Standards appears promising in this regard. The Board's assessments, which will be different from any current teacher evaluations, will "stress teachers' knowledge of their students and demonstrated ability to work with other teachers to improve local schools" (Wirt & Kirst, 1992, p. 364). Local school districts in the future could use the Board's certification assessments to develop a skills-based pay system.

There also is the problem in education of measuring organizational performance. In spite of national movements to develop educational goals and curriculum standards, there remains scant evidence that districts have bought into these and that the guidelines are driving curriculum and instructional change in classrooms. Consequently, little consensus exists at the school-level over the goals of education and there are few quantifiable measures beyond student test data. The results of this study suggest that empowering *schools* does not lead to restructured reward systems within schools, and that some schools are able to restructure nevertheless. On the other hand, just as many schools were unable to get school-level actors to focus on performance, despite their new authority.

The question for school districts is whether the kinds of change activities that we saw in the actively restructuring schools can be sustained and broadly diffused in the absence of an incentive structure. In our actively restructuring schools, many teachers and principals worried about burn-out, as many change activities were add-ons to an already full day. It is highly probably that the incentive approaches used in the private sector cannot be translated directly to schools. Nevertheless, the question remains of whether the massive changes implied by school reform can be accomplished without incentives.

This research adds to our understanding of conditions that enable schools to get school-level participants actively involved in introducing improvements to the school. If the intent is to improve school performance, we need to find approaches to SBM that direct the attention of school-level educators with expertise in teaching and learning toward that end, rather than toward management for the sake only of transferring control. We found that the majority of actively restructuring schools did not want to manage the daily operations of the organization beyond what was needed to effect change in teaching and learning. School-based *management*, therefore, may be a misnomer. Instead, what we probably want are mechanisms that foster high levels of *involvement* by school-level participants in decisions related to the school's performance and in finding new approaches to improving performance. Relevant decision areas include professional development (knowledge and training for faculty); school budget; and personnel, including how faculties are constituted and compensated as well as technical decisions about how to organize for and deliver teacher services. We also learned from this research the importance of combining SBM with ambitious curriculum and instruction reforms. SBM as a governance reform can act as the enabler or facilitator of school improvement, but without an instructional guidance system, there will be little agreement that improvements in teaching and learning are the goals of SBM. On the other hand, just having such a guidance framework in place and introducing SBM does not insure that schools will focus on changes in instruction.

This study vividly illustrates the importance of school-level factors. The role of the principal is key, and meaningful improvement does not occur when SBM is the playing field for adversarial relations between the principal and staff. The high involvement framework offers a way to conceptualize a new role for the principal, who must facilitate broad involvement by creating and supporting meaningful decision-making influence, the development of new skills and knowledge, information sharing, and rewards (intrinsic, extrinsic, recognition or financial) for making a difference.

Finally, this study has not shown that high involvement in actively restructuring schools leads to performance outcome improvements. Some, but not all, of the restructuring schools felt they had impacted student involvement and other process indicators. Hard test score changes were not reported, and many schools felt that such test scores do not accurately capture the results of their new approaches. This debate will no doubt continue. In the meantime, we rely on qualitative reports that restructuring activities can have and are having an impact. Whether this is true only time will tell. What we can say from this study, however, is that the schools that were introducing changes in instruction and learning as an outcome of their SBM activities were more likely to have higher levels of information sharing, greater knowledge and skill development, and more mechanisms for broad involvement. This provides support for our initial hypothesis, and evidence that districts should take a broader organizational view of SBM.

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School-Based Management:
Promise and Process

Whether under the banner of community participation, decentralization or teacher empowerment, school-based management has been on the educational reform agenda for decades. Now it is gaining support as a means to improve school performance. But the specific process by which SBM is supposed to lead to performance improvement has received little attention and efforts to achieve that goal have been hit-and-miss.

So far, there is scant evidence that schools get better just because decisions are made by those closer to the classroom. That deceptively simple change in how schools are managed and governed, as attractive as it is to many teachers, principals and parents, turns out to be rather meaningless unless it is part of a focused, even passionate, quest for improvement. School-based decision-making is one aspect of systemic school reform -- an approach to improving schools that also includes changes in instruction and curriculum and in the institutional web that surrounds schools to achieve an integrated focus on the outcomes of education.

In fact, the absence of a clearly defined set of instructional goals tends to slow the progress of even the governance changes SBM is supposed to deliver. The changes tend to occur on paper only, without engaging the support or enthusiasm of those who must carry them out. This also has been seen in the private sector, which has increasingly adopted the tenets of decentralized decision-making to invigorate production or improve service delivery. When decentralized management was thought of solely as a way to help employees feel better about their jobs, it gained little support from managers or workers. But when employees and managers were asked to rethink their relationships and their involvement to achieve certain business-related goals, such as improving quality or raising productivity, organizational change was far more likely.

The bottom line is that school-based management is not an end in itself, although research indicates that it can help foster an improved school culture and higher-quality decisions. School-based management is, however, a potentially valuable tool for engaging the talents and enthusiasm of far more of a school's stakeholders than traditional, top-down governance systems. Moreover, once in place, SBM holds the promise of enabling schools to better address students' needs. This promise is more likely, however, if a "high-involvement" model of SBM is followed. This model envisions teachers and principals being trained and empowered to make decisions related to management and performance; having access to information to inform such decisions; and being rewarded for their accomplishments.

This Finance Brief summarizes research that investigated how school-based management can be implemented so that it is more than just a catch-phrase. In general, it should be noted that making the transition to SBM is neither simple nor quick. Neither is it possible for SBM to succeed simply by giving schools more power over such things as budgets, personnel and curriculum. In addition to power, schools need hefty portions of three other commodities that private sector research has found to be essential for making good and productive decisions.

- Knowledge of the organization so that employees can improve it. Teachers and other stakeholders need technical knowledge, such as how to employ new approaches to teaching, business knowledge, such as how to develop a budget, and knowledge of interpersonal and problem-solving skills so they can apply what they know to achieving school goals.

○ Information about student performance and comparisons with other schools, about whether parents and community leaders are satisfied with the school, and about the resources available, either monetary or other.

○ Rewards to acknowledge the extra effort SBM requires as well as to recognize improvements.

Our conclusions about SBM are based on an in-depth study of 27 schools in three U.S. districts (Jefferson County, Kentucky; Prince William County, Virginia; and San Diego, California), one Canadian district (Edmonton, Canada), and one Australian state (Victoria) that have been operating under the SBM umbrella for about four years, although some have been working at it much longer. We interviewed nearly 200 individuals from school board members, superintendents and associate superintendents in district offices to principals, teachers, parents and students in local schools. Slightly more than half the schools studied could be characterized as "actively restructuring," meaning that reform efforts had successfully produced changes in curriculum and instructional practices. The other half were struggling, meaning that they were going through the motions of SBM but little change had occurred. The two categories of schools differed on each of the four previously mentioned dimensions. These differences offer guidance for tapping the potential of SBM.

Power

Questions of power -- how much is transferred to the school and who wields it -- are among the central SBM policy issues. Most SBM schools establish a site council but the composition, role and leadership of councils vary. Some school districts dictate that structure as in San Diego; others leave it up to the schools themselves, but hold the principal accountable for ensuring that all parties are given the opportunity to contribute, such as in Prince William County. In Jefferson County, schools had leeway within a set of guidelines generated collaboratively by the district and the teacher association.

Interestingly, councils established by the schools themselves and those structured by district order differed little. Most had administrative, teacher, parent and classified employee representatives, who were elected by their respective constituencies. Edmonton schools did not require site councils. Instead, principals devised their own, often informal, ways of seeking teacher input. The parents' perspective was usually solicited through separate parent advisory councils.

Most of the actively restructuring schools had some means of dispersing power, usually through subcommittees. The subcommittees not only engaged more of the faculty, either as members or leaders, but also they reduced the work load on individual teachers and broadened the commitment to reform. Parents often were active members of subcommittees, too, although leadership positions were held usually by educators. Parents were most concerned about issues related to the school environment (e.g., safety, uniforms) and tended to view areas like curriculum and instruction and staff development as professional issues to be handled by educators.

In Australia, subcommittees had control over a small budget, which helped facilitate the implementation of reform efforts. The subcommittees, set up to address such topics as curriculum, assessment and professional development, also helped focus participants' energy on specific tasks rather than on abstractions such as "culture" or "empowerment." The net effect was that in actively restructuring schools there was lots of communication and reflective dialogue around specific projects.

The struggling schools got bogged down in establishing power relationships. They tended to concentrate power in one faculty group, leading to an atmosphere of "us" and "them." One struggling school spent almost a year developing a policy manual that specified who had power and under what conditions. Other research also has found that at schools dominated by adversarial politics, council discussions more often were related to power conflicts rather than to instructional issues.

Making good use of the power accorded schools under SBM also depends on superintendents and principals. Superintendents helped by making central offices service-oriented: "The schools want helpers, not tellers." In Edmonton, schools had the bulk of money for professional development and maintenance, and could purchase those services outside the district. Central office departments offering such services became school-oriented as they had to sell their services to schools in order to stay in existence. District office restructuring and total quality management efforts in San Diego and Prince William County promoted the notion of the schools as the customers of the district departments. Superintendents also worked to develop a districtwide culture of risk-taking. The superintendent in Jefferson County encouraged schools "to go out on a limb" and supported them by offering extra money for professional development to all schools that voted to adopt SBM.

It is clear from actively restructuring schools that SBM does not mean that principals no longer have a role to play. Rather, they play a different role. We saw evidence in some schools that principals were moving away from being the instructional leader, while in others the principal concentrated on conveying a strong instructional vision. In all restructuring schools, principals were moving toward the role of facilitator and manager of change. Principals at actively restructuring schools worked to broaden and sustain the school's commitment to reform by getting various stakeholders involved in decision-making teams. Principals in those schools motivated staff, created a team feeling on campus, and often provided a vision for the school. Successful principals also shielded teachers from issues in which they had little interest or expertise so that they could concentrate on teaching.

Principals in struggling schools were at odds with their staff and were accused of failing to support them or, in the extreme, of vetoing or ignoring site council decisions. Teachers at those schools often were not willing to accept guidance and leadership from the principal or else they feared too much interference from the parent participants. Furthermore, principals in these schools often loaded up the council with trivial issues.

Knowledge

Districts considering a move to SBM should be aware that the demand for professional development will increase. Not only do school-site educators need ongoing assistance with content and pedagogy, but also with skills such as group problem-solving, conflict resolution and time management. Principals need help understanding and enacting their new roles. Our research also pointed out the need to train other SBM participants at the school site, such as parents, administrators and students, who serve on the various decision-making teams. Further, we found a critical need to retrain central office administrators who are more accustomed to being enforcers, regulators and overseers than to responding to requests from schools for technical assistance. Two of the districts we studied created new organizational arrangements at the associate superintendent level to supply support services to schools -- Edmonton's Staff Development Office and Jefferson County's Gheens Academy. Consultants were available for customized campus training and teachers frequently traveled to the district office for development activities, which were offered after school hours and on weekends to encourage teacher participation. At the other extreme were Prince William County and San Diego where both superintendents reported that they had initially greatly underestimated the amount of training and development that would be required to support SBM.

Those working in "actively restructuring" schools were intensely interested in professional development, which was viewed as an ongoing formal process for teachers as well as the principal. The goal was to develop a schoolwide capacity for organizational and individual improvement. Development activities were designed to promote a sense of professional community and a shared knowledge base among the faculty. Topics for professional development at these schools usually were decided on by the faculty and principal, so the topics were tailored to the school's particular needs. In addition, the actively restructuring schools sought out a variety of resources in the community, including private companies and universities, to provide for their training and development needs and did not rely solely on the district office.

Professional development at the struggling schools tended to be, by and large, an individual activity rather than a means of creating a schoolwide capacity for improvement. Fewer staff participated in development activities and they tended to be offered only sporadically. The format usually was of the "go, sit and get" variety and the subject matter of development activities often was controlled by the central administration. Moreover, the topics at these schools were more likely to be narrowly focused and even out-of-touch with the day-to-day issues faced by teachers.

Information

Effective management requires useful information about the progress an organization is making toward meeting its goals, and about how customers are perceiving its services. All of the schools we studied had mechanisms such as newsletters or parent-teacher conferences for communicating with parents about school performance. In addition, some school districts made available information schools could use to compare themselves to others. Information was also shared in principal-to-principal meetings, district conferences and computer networks, although these seemed to be used less frequently.

The actively restructuring schools used decision-making teams that cut across the organization both vertically and horizontally for communicating and sharing different kinds of information with various stakeholders. Consequently, the schools that dispersed power throughout the organization also tended to be the ones with the most informed school-site participants. In Victoria, the state developed an on-line interactive computer system that included revenue, expenditure and budget information; data on student achievement; electronic invoicing and purchasing; and a student schedule. This computer network was by far the most advanced among the districts we studied, although several other districts, including Edmonton and Jefferson County, have linked school sites electronically with the district office.

Restructuring schools also had a strong customer service orientation. In Edmonton, for example, the district has for more than a decade conducted yearly satisfaction surveys of students and staff. In alternate years, the district also surveys parents and the general public to assess their satisfaction with the public schools. Survey results are released each fall and campuses typically use the information to target improvements.

Struggling schools, in contrast, tended to have fewer formal mechanisms for sharing information, and the flow of information was often top-down, as in traditional schools. As a result, the teacher grapevine was usually the primary means of communication and unfortunately, the information on the grapevine was often incomplete and tended to breed suspicion.

Across all SBM districts that we studied, the districts had little capacity for gathering information in a form useful to individual schools. Traditionally, corporations and schools have gathered aggregate information most useful for making decisions in a central office. Schools engaged in SBM need distributed information to make good decisions. SBM districts generally were able, albeit often not in a timely manner, to collect and circulate financial information to support decisions related to budgets and resource tradeoffs. They were less able to collect information about the performance of the school organization, such as tracking staff development activities and assessing the progress of innovations.

Rewards

Rewarding effort is as problematic in SBM schools as in others. Many schools recognized efforts with thank-you notes, mentions in school newsletters and other acknowledgments. But several principals said they preferred to de-emphasize the idea of winners and losers in order to create a sense of community achievement. Some schools scheduled year-end functions, with free dinners, flowers and parties, to celebrate the achievement of school goals.

Few financial rewards were used in SBM schools and when they were, rewards like the other types of acknowledgments were usually given to groups and often school-wide. Some schools gave teachers who wrote grants a reduced course load or stipends for attending staff development activities on weekends or during the summer. In Edmonton and Prince William County, schools were rewarded for being frugal; cost savings were carried over from one year to the next and placed in a discretionary pot to be used as the school wanted. In Kentucky, the state has responsibility for meting out sanctions and rewards to local schools and we saw evidence that these were providing an impetus for change in many schools and on teachers' minds as they went about improving classroom practice.

Across all SBM schools we studied, most teachers said they still relied on intrinsic satisfactions for motivation. But at actively restructuring schools that intrinsic, or psychic, satisfaction seemed more readily available than at others.

The lack of reward structures could be an impediment to the success of SBM. Participants at some point may not be able to maintain the same high level effort without being rewarded for that effort. Teacher burn-out that some schools have experienced with SBM may be evidence of this. In the private sector, rewards can be allocated directly, for achieving certain skills or meeting organizational performance targets. In education, however, rewards so far are, at best, indirect and unfocused. Years of teaching experience and degrees are rewarded rather than progress made toward SBM goals or improvements in student achievement.

Implementing School-Based Management

The transition to school-based management is a large-scale change. It is intended to fundamentally change the capacity of the school by increasing the involvement of school-level stakeholders in managing the school and improving its performance. When successful, the transition is both pervasive and deep. It is pervasive because it requires change in almost all aspects of the organization: structures, roles, systems, instructional practices, human resource practices, and the skills and knowledge of participants. It entails change in schools and in the district offices. Implementing such change is not a straightforward adoption process. Rather, it is a gradual iterative process of introducing and refining changes until all aspects of the organization support this new way of functioning. Our successful schools had been at it for several years, and were learning and gradually putting in place the elements of effective school-based management and educational improvement. Likewise, the districts we studied were gradually introducing changes in the information, accountability and control systems to enable schools to be self-improving entities and to be able to more effectively manage themselves, as well as changes to the district-level organization to support and stimulate school-level improvement.

The transition to school-based management is deep change, because it entails fundamental change in people's understanding of the organization and their role in it. The schools that had introduced new approaches to instruction were those where the community of teachers learned new ways of teaching, and expanded their view of their role in the organization beyond the confines of their classroom. Principals learned new ways of influencing and leading, and began to see themselves as managers of change. Principals in the restructuring schools in Prince William County, for example, had received change management training. They described the change dynamics in their schools, and their plans for helping the school move through the stages of change. Actively restructuring schools learned new ways to involve parents and created new relationships to community organizations. The stakeholders developed a shared understanding of what the school was trying to accomplish and how. School personnel developed a realization that they would have to be effective in meeting the needs of their clientele and their communities, and that to do so would require introducing new approaches.

The introduction of instructional change was not an automatic consequence of establishing school-based management. Successful schools laid the foundation for change. They jointly determined their values: their vision of success and the outcomes they were after. Several schools in Jefferson County held an annual Fall retreat offsite to begin the year with a review of programs and planning to achieve its vision. Successful schools also took time to educate themselves regarding different approaches to achieving valued outcomes, through visiting and exposing themselves to different organizations, and considering learnings from both school and private sector organizations. One Prince William County school wrote a grant proposal and received one year of funding to support visits and staff development activities designed to create a collective sense of purpose and approach to dealing with the changing school population. They developed a collective sense of the need for change, by defining the gap between where they were and where they needed to be to meet the needs of their students. Subsequent grants were solicited for defining and implementing a new educational philosophy.

Often the district played an active role in helping lay the foundation, by providing an overarching set of goals, helping articulate state frameworks, and providing educational and developmental experiences. Even when the district provided strong change leadership, local school activities were required to develop a shared understanding and collective energy. Where deep divisions remained within faculties or between teachers and administrators, schools did not move to the next step of planning and implementing change. Such divisions were particularly problematic in the struggling secondary schools in our study.

School-based management has profound implications for how and where decisions are made; however, effective decision-making is not an automatic consequence of decentralizing decisions to the school. Schools that were successful introducing changes in instructional practice had developed effective decision-making processes. Decision-making was not confined to a narrow group of people who composed the council. Staff, parents, and sometimes students gave input and got involved. Three types of barriers to effective decision-making were observed: 1) principals who were autocratic or who failed to utilize input; 2) staff factionalism, including competition between departments or divisiveness between those in favor of reform and those opposed; and 3) staff apathy and unwillingness to get involved.

One element of effective school-level decision making was the existence of multiple decision-making teams and a clear sense of how they related to one another. In many cases, the constellation of teams changed over time as the school developed a sense of what decision-making forums were needed, such as in Victoria where successful schools typically had grade-level and school-wide teams with overlapping memberships. Other elements present in the schools with effective decision-making were: the training of all participants in team skills and decision-making skills; joint diagnoses of the problems teams were working on; allowing teams to make decisions with no principal override; providing teams with good information upon which to make data-based decisions; and finding ways to broaden the perspectives of participants through such approaches as visiting and seeing effective practices at other schools.

Leaders played important roles in the implementation of SBM and the application of school efforts toward the accomplishment of school improvements. The principals in the successful schools were generally seen as effective leaders, but there were generally strong teacher leaders as well. Principals often were active in managing the change process, including a participative process for determining a shared vision, and communication and support for that vision at every opportunity. Much of the hands-on work of designing and implementing change was delegated to participants throughout the school. Teachers typically served as chairs of subcommittees and became recognized experts by their colleagues in specific arenas (e.g., curriculum design, student assessment, use of technology).

Many of the schools that were the most successful in introducing change were also the most proactive and successful in obtaining resources. They wrote grants, solicited community partnerships, took advantage of district and regional services, and generally sought out opportunities to obtain expanded resources. Teachers in these schools invested large amounts of time planning and learning about new approaches, and the successful schools did not sit and wait for the district to provide extra resources to support this. They were entrepreneurial. These schools found ways to create time and resources for needed staff development and common planning activities. One school in Jefferson County arranged schedules so that all students in a specific grade had resource activities -- library, physical education, music -- at the same time. This freed up time each week for the classroom teachers to meet together to plan activities.

It is clear that school improvement is a process. It is also clear that process takes time, and is not easily predictable. School decisions have to improve and new practices have to be put in place and behaviors altered before students begin learning more. Implementing effective school-based management involves establishing effective decision-making forums and designing the organization to make it possible and likely for these to generate and implement new and more effective approaches to teaching and learning. It involves new information systems, increased skills and knowledge development, and aligning rewards and motivation with the new performances that are required.

This complex change process needs to be monitored and assessed, so that the organization can discover where its implementation has fallen short, and its approaches need to be modified. In each of the districts we studied school, community, district and association leaders were on the learning curve, gradually discovering what is required for SBM to work effectively and to contribute to improvement in teaching and learning. Among schools, there were huge discrepancies in the extent to which the school level participants were learning to be more effective. Actively restructuring schools were actively learning how to become more effective in achieving their focused educational goals.

Characteristics of Actively Restructuring Schools

1. Schools saw themselves as engaged in a broad set of reform activities, not simply implementing SBM as an end in itself.

2. Schools had clearly written vision statements that often were developed collectively by school staff under the guidance of the principal. Thus, there was schoolwide consensus about where the school was going and the principal assisted in helping it get there.

3. Schools created multiple, teacher-led decision-making teams that cut across the school both horizontally and vertically to involve all teachers in the decision-making process.

The teams also fostered high levels of information sharing and interaction around issues related to school performance.

4. Schools learned new ways to involve parents in the school community, and worked actively to be responsive to parents' concerns and to keep them informed.

5. Schools used state and district curriculum frameworks to focus reform efforts and to target changes in curriculum and instruction. The instructional guidance mechanisms also helped to set the work agendas of the various decision-making teams.

6. Schools redesigned their schedules to encourage teacher interaction during the regular school day. Thus, teachers at the same grade level, in the same subject area or on the same decision-making team used common planning periods, for instance, to work together on specific tasks.

7. Principals were more facilitators and managers of change than instructional leaders. Teachers often took the lead in the areas of curriculum and instruction.

8. Schools made heavy investments in professional development to expand both the organizational and individual capacity of the school. Such activities focused on the development of team process skills, as well as instructional staff development.

9. Schools were assisted in their restructuring efforts by district offices that encouraged risk-taking, and that offered technical assistance and support in response to school requests.

10. Principals took care to recognize the efforts of school staff through thank-you notes, and public acknowledgments in newsletters or at faculty meetings.

The Change Process in SBM Schools

- Decentralizing authority or power to schools will not automatically lead to the effective utilization of that power. Authority must be accompanied by a principal who facilitates participation, a school faculty with few divisive factions, and a general desire of stakeholders to be involved with reform.

- Schools take time to learn how to function with SBM. In the beginning, decision-making may focus on issues that are more trivial in nature, such as access to the copying machine, before moving to more complex issues, such as curriculum and instructional practices.

- School culture is critical to the change process. Schools achieving instructional change created cultures characterized by an atmosphere of collaboration and trust among staff and a focus on continuous improvement. Greater levels of participation by staff and parents, as well as structures that include all stakeholders in the decision-making process can facilitate improvements in school culture.

- As part of the school change process, individual behavior may also change. Behavior changes include talking about and observing teaching practices, maintaining higher standards of performance, seeking out new ideas, and actively becoming involved in school-wide issues.

School-Based Management: Changing Roles for Principals

As more and more school districts across the United States implement school-based management, principals increasingly are finding themselves in schools that have the power to make decisions about how money should be spent at the school site, what the staff mix should be and what should be taught in classrooms and how. Indeed, at last count, more than one-third of the districts responding to a recent survey reported they currently operated under some form of school-based management and another 15 percent had plans to implement SBM in the near future. Another survey conducted by the Council of Great City Schools reported that 85 percent of member districts -- including many of the largest districts in the nation -- had implemented some form of school-based management.

School-based management decentralizes control from the central district office to individual schools as a way to give school constituents -- principals, teachers, parents, and community members -- more control over what happens in schools. Often SBM is adopted for the purpose of school improvement. By empowering groups who are closest to the students, school decisions, it is thought, will be better tailored to the particular needs of students, and school performance will improve.

Thus, SBM entails changing roles. District offices no longer are in the business of telling schools what to do; instead they are moving to help schools accomplish what schools, themselves, decide to do. Roles within schools for principals and teachers, likewise, change under SBM, as decision-making becomes a participative activity shared among various school constituents. Most forms of SBM vest decision-making authority in a council, composed of various stakeholders -- usually teachers, parents and community members -- who are elected by their respective constituencies. Whereas principals are accustomed to being the primary decision-maker at the school site, this is likely to change under SBM, with teachers, parents and community members empowered to make decisions formerly in the principal's exclusive domain. Principals may find themselves as members of councils that have a majority of teachers or a majority of members who are not professional educators -- parents and community representatives. Further, the composition of the council and who chairs the council -- the principal may or may not be the chair -- are likely to be decisions that are out of the principal's span of control, structured by either the district or state. Finally, the principal under SBM often has little veto power over council decisions.

This article focuses on the changing role of principals in SBM districts. The findings reported here are based on an in-depth study of 25 elementary and middle schools in 11 school districts in the United States, Canada and Australia.[1] The districts we studied had been operating under the SBM umbrella for about four years, although some had been working at it much longer. We also looked at schools that exhibited a range of success in implementing SBM and that had achieved varied levels of success in improving school performance. Some of our schools were characterized as "actively restructuring", meaning that reform efforts had produced changes in curriculum and instructional practices; other schools were identified as "struggling", meaning they were going through the motions of SBM but little instructional change had occurred. The role of the principal in these two categories of schools differed considerably. The differences offer guidance to help principals develop management strategies to tap the potential of SBM and improve school performance.

Strategies for Improving the Effectiveness of SBM

In studying actively restructuring and struggling schools, we found that the SBM plans most successful in improving performance were those that not only empowered people at the school site to make decisions, but also trained people at the school site for their new roles, provided information to guide decision-making, and rewarded people for performance. Thus, the most successful principals were effective in moving four resources -- power, knowledge and skills training, information and rewards -- to teachers and community members. Drawing from these successful principals, strategies for decentralizing resources in each of these four areas are discussed below.

1. Power

Effective principals worked to diffuse power throughout the school organization to solidify and increase commitment to the reform. Thus, in addition to site councils, the schools had vertical and horizontal work groups that involved nearly all teachers in the school and often times community members and parents. Work groups typically were created by principals or the council and tended to be structured formally, with assigned members and regular meeting times. Sometimes the groups had binding authority; other times their powers were to advise the principal or the school-site council.

Many schools structured the work groups as subcommittees of the site council. The subcommittees, focused on areas such as assessment, curriculum and instruction, and staff development, offered forums for teachers and other stakeholders to get together and talk about school-specific issues. Subcommittees worked to develop council ideas into recommendations, or proposed new ideas to the council. Thus, through subcommittees, principals effectively spread the workload of managing the school beyond the few who served on the council.

Another, more radical model that occurred in districts that allowed schools to design their own governance systems was to use work groups in place of a council. One elementary school organized all teachers and parent representatives into five work groups -- operations, assessment and measurement, staff development, facilities, and organizational development. The principal served on the organizational development work group, which had oversight responsibility for the budget, and attended other group's meetings by invitation. This same school had teaching teams at each grade level which were given substantial decision-making power over curriculum and instruction.

In addition to these permanent structures, principals sometimes created ad hoc committees when a specific need arose. For example, many principals created ad hoc interview committees as part of the hiring process, or created ad hoc committees to handle a crisis or to explore grant opportunities or a new thrust for the school.

2. Knowledge and Skills Training

Principals in actively restructuring SBM schools promoted school-wide staff development to improve the capacity of the whole school. If the school could not afford to train all staff, then a small group were trained with the expectation the teachers would share their new knowledge and skills with the whole faculty. Effective principals also encouraged on-site, continuous staff development and not the one-shot, "go and get" variety, which is more fragmented in nature.

Under SBM, three kinds of knowledge and skills are important and effective principals paid attention to all three. First, if stakeholders are to be able to contribute knowledgeably to decisions about school improvements, then they need training to expand their knowledge about the instructional and programmatic changes of schools, including current knowledge about teaching, learning and curriculum. Secondly, people at the school site need teamwork skills for participating in work groups and training in group decision-making and how to reach consensus. If people other than the principal are running meetings, then leadership training is needed school-wide, so that people have the skills to run meetings effectively. Finally, where teachers and community representatives are expected to assist in developing a budget or hiring staff, they need organizational knowledge which includes budgeting and personnel skills.

The effective principals were creative in obtaining professional development for the school. Looking beyond the district, principals tapped private industry for leadership training and universities to optimize resources. Bringing these resources together was part of a larger staff development strategy in which the principal and various stakeholders defined the school's knowledge and training needs and how services would be delivered.

3. Information

The principal's role in information sharing was to distribute information liberally and frequently. Strategies focused on information sharing within the school, as well as keeping stakeholders outside the school informed. Another focus included bringing information -- ideas and research -- into the school from outside sources. Effective principals in SBM schools used a variety of strategies to share information among participants, particularly at the school site.

- Principals worked with staff to develop a clear vision for the school and then worked to ensure the vision was communicated school-wide to all constituents. Some of the more successful SBM schools used professional development days to bring faculty together to define the mission and goals for the school. Effective principals continuously reminded school staff of the vision and provided information about school progress.

- Principals disseminated information about school/SBM activities and student performance through newsletters to the whole school community. Some principals included local businesses on their mailing lists. Effective principals also routinely distributed student tests scores to staff, so they could be used to plan curriculum and instructional improvements. Many principals provided comparisons with other schools in the district with similar student populations.

- Principals shared iearnings across schools within the same district. Effective principals found that a valuable source of information came from other principals in their district. In some districts, this was a formal process. Districts were divided into regions and principals from the schools in each region met monthly in small groups to discuss happenings across the schools and within the district. From those meetings, principals returned to schools with advice, ideas from discussions and a sense of how the school was doing relative to other district schools.

- Principals communicated to staff about research and innovative practices outside the district, such as instructional successes in different settings with similar types of students. Sometimes principals used time during staff meetings to discuss such issues; other times the presentation was less formal and more individualized -- a note or article in a teacher's mailbox, for instance.

4. Rewards

As staff members took on more responsibility and spent more time managing the school under SBM, the effective principals rewarded people for their efforts. Rewards included reduced courseloads for grant writing and funding to attend professional development activities. Effective principals frequently wrote thank you notes and publicly recognized staff at faculty meetings. Some principals rewarded the whole school community rather than individuals, believing such an approach -- that avoided distinguishing between winners and losers -- contributed to a sense of community. Another reward for the school was achieved through increased visibility in the community. Effective principals initiated school recognition by taking a more active role in local public relations activities and making teachers more visible in the community. Often times the schools were rewarded by in-kind donations and financial contributions.

A lack of formal reward structures, which has been a long-standing issue in education, could be a impediment to the success of SBM. However, where principals rewarded efforts, a support system was established for teachers. Building on the intrinsic motivation of teachers was a useful mechanism for principals to encourage people to use their capabilities to achieve school goals. Principals achieved this by creating a school atmosphere that supported teacher involvement in decision-making and curriculum and instructional innovations.

New Roles for Principals

Effective principals in the actively restructuring SBM schools we studied were spending considerable amounts of time helping to empower, train, inform and reward their staff. As a consequence, we began to see evidence of emerging new roles for principals.

- *Designer/Champion of Involvement Structures*
  Principals helped to develop decision-making teams that involved various stakeholders to provide them with opportunities for conversations around school-specific issues. Principals invested the teams with real authority by carving out discrete areas of jurisdiction.

- *Motivator/Coach to Create a Supportive Environment*
  Principals worked to communicate trust, encourage risk-taking, communicate information and facilitate participation in SBM.

- *Facilitator/Manager of Change*
  Principals encouraged staff development as an ongoing, school-wide activity. Principals provided tangible resources (money, equipment and materials) and intangible resources (time, opportunities) to staff to assist in the school improvement process.

- *Liaison to the Outside World*
  Principals brought into the school new ideas and research for thinking about teaching and learning. Principals solicited donations of funds and materials, and encouraged grant writing among staff to boost school resources. Principals also ran interference for teachers by filtering out unnecessary distractions which freed up teachers to focus on teaching and learning.

Principals in SBM schools will need to balance a variety of roles. The principal role is evolving from direct instructional leadership to a broader role of orchestrating decision making, often through teams of teachers, and interacting with a wider range of individuals, including community members and other stakeholders.

Notes

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1. See the following two Finance Briefs authored by Priscilla Wohlstetter and Susan Albers Mohrman for more information: School-Based Management: Promise and Process (1994) and School-Based Management: Strategies for Success (1993). Both of these are available from the Consortium for Policy Research in Education, Rutgers University, New Brunswick, N.J.

How Schools Make School-Based Management Work

School-based management (SBM) decentralizes control from the central district office to individual schools as a way to give school constituents -- principals, teachers, parents, community members, and in some schools, students -- more control over what happens in schools. Proponents of SBM argue that increasing the involvement of school-level stakeholders in managing schools will increase the capacity of schools to improve by increasing stakeholders' ownership and accountability for school performance. It is further argued that through SBM, a broader range of perspectives will be taken into account in the decision-making process, thereby producing decisions better tailored to the needs of the local school community. These potential outcomes are strong inducements. As a result, more and more school districts are turning to school-based management as a centerpiece for their improvement efforts. However, as educators, parents and the public are discovering, some districts and some schools are experiencing greater success than others in implementing SBM. While some schools are using SBM to redesign the school organization to accomplish an educational vision, other school communities are stuck on power issues like whether the principal should have veto power and who should serve on the site council, and on housekeeping issues like who should have access to the copy machine.

For more than three years, researchers with the School-Based Management Project at the University of Southern California in Los Angeles have been studying schools and school districts in the U.S., Canada and Australia to find out what makes school-based management work.[11] We visited 40 schools in 13 school districts and interviewed more than 400 people from school board members, superintendents and associate superintendents in district offices to principals, teachers, parents and students in local schools. All the districts we studied had been operating under SBM for at least four years, although some had been working at it much longer. We also surveyed teachers about classroom practices and carried out classroom observations. The purpose of our research was to identify the conditions in schools that promote high performance through school-based management. We defined high performance SBM as occurring in schools that were actively restructuring in the areas of curriculum and instruction; these were schools where SBM worked well. We compared this group of successful schools to schools that were struggling; that is, schools that were active with SBM but less successful in making changes that affected curriculum and instruction.

In brief, we found that school-based management requires a redesign of the whole school organization that goes far beyond a change in school governance (Mohrman, S.A., P. Wohlstetter, and Associates 1994). For SBM to work, people at the school site must have "real" authority over budget, personnel and curriculum. Equally important, that authority must be used to introduce changes in school functioning that actually impact teaching and learning, if SBM is to help improve school performance. Further, we found that power was not effectively used at a school unless the school's strategy for using its new power included strategies for decentralizing three other essential resources: professional development and training for teachers and other stakeholders in teaching, managing and problem-solving; information about student performance, parent and community satisfaction, and school resources to help school-level people make informed decisions; and a reward system to acknowledge the increased effort SBM requires of participants as well as to recognize improvements in school performance.[12] Our studies also pointed out the importance of principal leadership and of having some sort of instructional guidance mechanism -- a curriculum framework, for example -- at the school site to direct curriculum and instruction efforts (Wohlstetter, P., R. Smyer, and S.A. Mohrman 1994). In this article we discuss strategies that we found promote high performance in SBM schools and give examples from the field of what we found in schools where SBM worked and in schools that were struggling with SBM.

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[11] This work is part of the Studies of Education reform program supported by the U.S. Department of Education, Office of Educational Research and Improvement (OERI), Office of Research. This research has also received generous support from the Carnegie Corporation of New York and the Finance Center of the Consortium for Policy Research in Education (CPRE). The opinions expressed in this article do not necessarily reflect the position or policy of the U.S. Department of Education, the University of Southern California, the Carnegie Corporation or CPRE, and no official endorsement should be inferred.

Strategy #1: Disperse power throughout the school organization so that many stakeholders participate in decision-making.

When SBM is adopted, site councils usually are created at the school site to make decisions about programs and resources. In some schools, the structure and composition of the council is decided by the district or even by the state, while in other schools, the school itself can determine the composition of the council (Wohlstetter, P. and S.A. Mohrman 1994). Whether established at the district, state or the school-level, most councils are composed of administrators, teachers, parents and classified employees, who are elected by their respective constituencies. In some schools, the council has final approval on decisions under its jurisdiction; in others, the principal retains final decision-making authority. Many SBM schools also have created a formal system of subcommittees which report directly to the site council. Some schools have as many as twelve subcommittees. Other schools use as few as three subcommittees covering areas such as budget, curriculum and instruction, and facilities. Subcommittees dealing with the core technology of schooling such as curriculum and instruction may have teacher members only. Other subcommittees, like public relations and technology, have a wide range of participants including parents and community representatives, in addition to teachers.

What distinguished the schools where SBM worked from the struggling schools was the extent to which power was dispersed throughout the school beyond the principal and council to subcommittees and other decision-making groups, like teaching teams and ad hoc interview committees. These groups were created by principals or the council and tended to be structured formally, with assigned members and regular meeting times. With the wide dispersal of power, nearly all faculty members at the successful schools participated in SBM.

These schools used their new power to bring about change in teaching and learning practices. For instance, one school reallocated two teaching positions to create two part-time resource teachers: one who worked to coordinate professional development for teachers and the other who worked to monitor student absenteeism. Other schools focused on restructuring the school day. One council voted to lengthen the school day, so that teachers could have a common planning period one morning a week. Another school shortened the day several times during the year to schedule face-to-face parent conferences to distribute student report cards. Finally, resource allocation decisions also were targeted at improving teaching and learning. One council at an elementary school agreed to use all their instructional dollars for the year to purchase math manipulatives for the entire school. Likewise, schools that had the budget authority to carry-over savings from one year to the next used their savings for instructional needs. With power dispersed and decision-making focused on teaching and learning, the isolation and turf squirmishes so common in schools was notably less in the successful SBM schools we studied.

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[12] Findings from this research are similar to those found for businesses that employed the "high involvement" model of decentralization (Lawler 1986; 1992).

Struggling SBM schools tended to concentrate power in a single school council that often was composed of a small group of committed teachers who were painfully aware they did not have broad representation. Subcommittees and other decision-making groups (if they existed at all) did not have wide participation and so the committed few often felt exhausted and burned-out. Further, there were strong feelings of isolation among teachers in the absence of meetings that allowed teachers and other stakeholders to interact around specific projects, such as the development of a school-wide portfolio assessment system.

Strategy #2: Make professional development an ongoing, school-wide activity.

Professional development in schools where SBM worked was a very high priority. Activities were oriented toward building a school-wide capacity for change, creating a professional community and developing a shared knowledge base. In some successful SBM schools, teachers with release time were responsible for soliciting input from other teachers, and either arranging for the training or actually delivering it themselves. Several schools routinely sent small groups of teachers off-site for training who then returned to train the rest of the staff. Through our interviews and surveys in actively restructuring schools, we found widespread knowledge of the topics targeted for training and broad, if not universal, participation (see Robertson, P., P. Wohlstetter, and S.A. Mohrman 1994).

Schools where SBM worked were also more likely to have multi-year commitments to professional development which included all teachers. These schools often offered follow-up sessions. Several of them had subject matter consultants who visited and carried out demonstration lessons, observations, and worked with teachers on individual and group problem-solving.

These schools also had expanded the categories of training and of individuals receiving training. The subject matter of training was broadened to assist with the new decision-making responsibilities at the school site. Training was provided in interpersonal skills required for effective work groups, such as group decision-making, consensus-building and conflict resolution, and in leadership responsibilities like running meetings, budgeting and interviewing. Attention also was given to developing knowledge in the core technology of schooling -- teaching, learning, curriculum and assessment.

The categories of individuals receiving training were expanded to include nearly all members of the school organization and the various stakeholders. As a result schools where SBM worked had council members, teachers, administrators, office staff, support personnel and in some cases at the secondary level, students receiving various kinds of training. Sources of training at actively restructuring schools included training from the district office, universities, and even from non-traditional education circles like businesses that provided training in management and group decision-making.

By contrast, in struggling schools there tended to be an individual focus to professional development rather than a school-wide focus. We also found more instances of "go, sit and get" training rather than on-going professional development models. Some teachers opted out of professional development altogether. In other struggling schools, the only target group for training was the small group who sat on the site council. Their training tended to be offered at the start of SBM but without on-going support. One council had been trained initially on how to make decisions by consensus, but with little on-going support during the year, "meaty" topics were eventually shelved in favor of "easy to reach consensus" topics. Struggling schools also typically lacked a staff development plan. Funds for training in such schools were dispensed on a case-by-case basis, usually by the principal, without any school-wide involvement in who should be trained or what the topics for training should be.

Strategy #3: Disseminate information broadly so that SBM participants can make informed decisions about the school organization and all stakeholders are kept informed about school performance.

The traditional flow of information in schools is from the central office to the school site. What distinguished the schools where SBM worked were the additional channels used to disseminate information. In these schools information not only flowed to the school from the central office, but also within the school, out to the community and back up to the district office. Particularly noteworthy were the multiple vertical and horizontal teacher work teams used to collect and dispense information within the school, and the constant efforts to inform parents and community outside the school.

All of the schools where SBM worked created some sort of network of work groups where many issues originated or were delegated. In addition to grade level teams and subject area teams, teachers were also on council subcommittees, or school-wide committees addressing a particular school priority or goal (Odden, A. and E. Odden 1994). It was common in these schools to have teachers working on two or more committees. For example, an elementary teacher might be on a vertical work team addressing a subject area or a school goal -- such as expanding the use of technology in the classroom -- with representatives from all grade levels, and a horizontal grade level team. A secondary teacher might be on a vertical work team focusing on a school goal and a horizontal subject area team with members from relevant departments. Because many committees cut across level and subject areas, there was wide awareness of the needs of the school as a whole. Several schools scheduled brief grade level or department meetings (above and beyond the regular meetings of those groups) immediately after faculty meetings, so that horizontal input could be given quickly. Two secondary schools used short meetings every morning before school to share information among members of the school organization. The effect of these work teams was dramatic. There were high levels of school-wide awareness of issues and much greater ownership in decisions than at the struggling SBM schools. Further, implementation of curriculum and instruction reform at these schools was consistently described as a collective effort, with constant problem-solving and fine-tuning as a result of teachers continuously talking about reform. By contrast, in struggling SBM schools we found teachers often uninformed about school-wide issues, basing their opinions on rumors, and using pronouns like "they" to describe decision makers.

Most of the successful SBM schools were also systematic and creative in how they tried to communicate with parents and community. Many administered annual parent and community satisfaction surveys, and the results typically were used to help set priorities for the following year. Another common practice in successful SBM schools was to disseminate daily attendance and tardiness data to parents on a regular basis. Parent-teacher conferences and newsletters were also used as information channels. Some schools offered classes for parents on topics like computers and student-parent math activities. Another school used grant dollars to hire a part-time ombudsman to serve as a liaison between the school and parent communities.

The schools where SBM worked also collected many kinds of data on school performance and tried to act on the information to improve that performance. In addition to attendance data which was collected by many schools, one secondary school regularly printed out grade distributions for every class as a means of monitoring student and teacher performance. Student performance data was maintained in a variety of forms such as portfolios and anecdotal records. Narrative report cards were being piloted in one school. Another school was developing its own student profiles in reading and mathematics with grade level expectations. Other schools were piloting student profiles in all subject areas.

Access to up-to-date information related to the management and operation of the school was spotty. This emerged as a key variable for central office attention. Schools engaged in SBM need timely information aggregated to facilitate use by a wide range of stakeholders. One of the districts we studied recently installed an on-line interactive computer system in schools that included budget and personnel information; data on student achievement; electronic invoicing and purchasing; and a master schedule. Most schools, however, were not yet satisfied with their ability to monitor accurately and in a timely manner the status of resources and students.

Strategy #4: Frequently reward individual and group performance on progress toward school goals.

Rewarding teachers for the additional effort and new roles that SBM requires and rewarding groups or schools for improvement was not frequently done, although schools where SBM worked used this approach slightly more than the struggling schools. Some of the successful SBM schools regularly recognized individuals for work well done; in other schools the norm was group recognition. Rewards which provided money included differentiated staffing positions with extra compensation for administrative responsibilities, money for professional development, and grants to reimburse teachers for extra time, including (in one district) money for council membership. Non-monetary recognition included the prestige associated with responsibilities like mentoring, notes of appreciation from the principal, recognition meals, and plaques. In schools where we found distrust, monetary rewards were suspect and public recognition was greeted with cynicism.

Differentiated staffing was widely used and accepted as a way of recognizing expertise in one of the districts we studied. Some of the positions offered additional pay and a slightly reduced teaching load; for other positions, only teaching loads were reduced; and a third type offered only intrinsic rewards, mainly the prestige and visibility of being a leader. All of these positions had to be applied for and were allocated to schools on the basis of student enrollment, typically accounting for about 50% of the teaching positions in a given school.

It has been argued that intrinsic rewards are sufficient to motivate and reinforce teachers. We found in actively restructuring schools many teachers were excited and motivated by the climate of professional collaboration and learning in their schools. We also found that some teachers, who had been working with SBM for longer than four years, were tired and wondering if they could keep up their level of involvement. Too many districts have assumed that SBM occurs with average levels of commitment and energy. Our research found that actively restructuring SBM schools placed high demands on all individuals involved. The argument that intrinsic rewards are sufficient to motivate and reinforce teachers for engaging in SBM over the long haul may be too optimistic.

Strategy #5: Select principals who can lead and delegate.

All schools where SBM worked had principals who played a key role in dispersing power; in promoting a school-wide commitment to learning and growth in skills and knowledge; in expecting all teachers to participate in the work of the school; in collecting information about student learning; and in distributing rewards. The principals were often described as facilitators and leaders; as strong supporters of their staffs; and as the people who brought innovations to the school, and who moved reform agendas forward.

While principals in successful SBM schools typically spearheaded the effort to develop a school mission, other tasks often were delegated. Principals tended to delegate to subcommittees responsibilities such as material selection, budget development and professional development schedules. The use of subcommittees effectively increased teacher ownership and accountability to the school-wide program, which was reflected in the frequent use of the pronoun "we" by teachers in schools where SBM worked. Aside from formal collaboration, principals also fostered informal communities by scheduling common lunch periods for students and staff and common break times for teachers.

Principals in high performance SBM schools also were instrumental in outreach efforts. Some principals served on boards of local business groups or regularly attended their meetings. Others worked diligently to foster press relations with local papers. Principals also were active in cultivating outside resources, such as professional development from universities, advice on technology from area businesses, and financial support from private foundations and educational networks.

Instruction and curriculum reform were what distinguished the schools where SBM worked, yet the principals of these schools functioned more broadly than instructional leaders. The principals worked to promote a school organization and climate where the teachers were leaders in instruction and curriculum. The principals' role then was to support that leadership by providing resources to nurture their efforts.

Principals in struggling schools were often perceived as either too autocratic or too laissez-faire. Some appeared to their staffs as not involved enough; others appeared to dominate all decisions (Wohlstetter and Briggs, in press). In many struggling schools, the key struggle was over power between teachers and the principal. In some cases, the principal's unilateral agenda for change was rejected by the faculty.

Strategy #6: Adopt a well-defined vision for curriculum and instruction to direct reform efforts.

Most of the schools where SBM worked operated according to a set of curricular guidelines developed at the district, state or national (e.g., National Council of Teachers of Mathematics) level. Yet teachers perceived themselves as having considerable leeway regarding the specifics of the curriculum they provided to their students and the instructional approaches and materials they used. Some schools had a separate curriculum framework for each content area that teachers had written themselves; some schools used sections from existing frameworks to come up with their own approach.

What distinguished the schools where SBM worked from the struggling schools was the shared understanding and widespread commitment to instruction and curriculum approaches adopted by the school. Such schools had a well-defined vision delineating the school's mission, values and goals regarding student outcomes. This vision served as a focal point and guided conversation in all the various decision-making forums. The development of the school vision came about in some schools through a formal consensus-building process, like at a retreat before the new school year began, and in other schools, through more informal and more frequent interactions of various stakeholders around curriculum and instruction issues. Struggling SBM schools, in contrast, often had power and control issues that interfered with any process for vision setting. Even when struggling schools had a vision statement they could point to, it was not an "active" document and was rarely mentioned in interviews or surveys.

Summary

Interest in SBM as a reform to improve school performance is high. Research from the School Based Management Project found important differences between schools where SBM worked to bring about instruction and curriculum reform and schools that were struggling with SBM.

Schools where SBM worked used their SBM power in tandem with a commitment to ongoing professional development; effective information collection and dissemination; and a system of rewards for individual and group performance. In addition, these schools had strong principal leaders who led by creating ownership in a common vision and by delegating specific projects and tasks. These successful SBM schools had multiple formal and informal channels that encouraged interaction among all staff; high levels of skill development among various stakeholders; initiatives to include parents and the community in the school organization; and a concerted focus on student needs and accomplishments.

Struggling schools, on the other hand, lacked a common vision and were frequently characterized by factions. These problems reflected a lack of at least one and usually more of the strategies that make SBM work. For districts embarking on or refining their SBM plans, the strategies that we have found promote success can serve as a blueprint for action.

At the same time, individual schools can investigate the degree to which they currently are using the six strategies we have identified here, and then work to sustain and strengthen practice.

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Redefining School-Based Budgeting for High Performance

School-based management has become an increasingly popular strategy to reform education. Within this current trend to decentralize management to schools, budget authority is usually the most common responsibility delegated to the site followed by personnel and curriculum responsibilities (Clune & White, 1988; David, 1990; Hatry et al., 1993). It is thought that devolution of budgeting to individual schools will encourage innovation and change (Raywid, 1990). States and even local school districts are considering school-based budgeting as a potential tool for achieving financial equity among schools (Bradley, 1994; Odden, 1994). In addition, advocates have argued that school-based budgeting will enhance organizational effectiveness and productivity by placing decisions closest to students (Levin, 1987) and by directing accountability toward individual schools instead of the central office and board of education (Ornstein, 1974).

While the literature is slowly increasing, there is still a great need for more information about how to structure school-based budgeting as part of effective school-based management. Recent research has analyzed district and state policy related to school-based budgeting (Wohlstetter & Buffett, 1992), but there continues to be a deficit of information about how to carry out budgeting at the school site and the support structures needed for implementation. This chapter adds to the knowledge base by exploring effective school-based budgeting practices within effective school-based management contexts.

Early research on school-based management focused on how much power was devolved to schools, but more recent research has examined a broader set of conditions for school-based management, including the professional development activities, information, and rewards needed to create high performing school organizations. In the first section of this chapter, we explore the implications of an expanded notion of school-based management as a context for examining the budgeting process. The second section analyzes exemplary school-based budgeting practices in several school-based managed districts to learn more about how schools effectively redesigned themselves to accommodate their new budgeting responsibilities.

The High Involvement Framework:
Strategies for School-Based Budgeting

High involvement, or decentralized management, has become a prevalent strategy in the private sector to enhance organizational effectiveness and productivity (Lawler, 1992; Lawler & Mohrman, 1993). Studies conducted in the private sector have indicated that decentralized management works best in organizational settings where the work is complex, is most effectively done collegially or in teams, and involves a great deal of uncertainty (Mohrman, Lawler, & Mohrman, 1992). Therefore, while the high involvement framework is not appropriate for all types of organizations, it is applicable to schools due to the intellectual complexity and uncertainty of teaching and the fact that teaching is best done collegially (Mohrman, Lawler, & Mohrman, 1992; Wohlstetter & Odden, 1992).

Based on Lawler's (1986) work, it has been found that organizational effectiveness and productivity improves when four key resources are decentralized within the organization: power, information, knowledge, and rewards. In the context of school-based budgeting, the high involvement framework implies that schools need "real" power over the budget to make allocation and expenditure decisions; fiscal and performance data for making informed budget decisions; professional development and training for the budget process so that people at the school site will have technical knowledge to do the job; and control over the compensation system to reward performance. In this section we review previous research on decentralized management and school-based budgeting by applying the high involvement framework. Our analysis, therefore, is structured around the following four questions:

1. Who should be empowered and what kinds of powers are needed for school-based budgeting?

2. What kinds of information are needed for school-based budgeting?

3. What training is needed for school-based budgeting?

4. What changes in the reward structures are needed for school-based budgeting?

For each of the questions, we describe generally what high involvement means for budgeting in the private sector and follow this with a review of the literature on school-based budgeting as it relates to the high involvement framework.

Who should be empowered and what kinds of powers are needed for school-based budgeting?

In the private sector, several levels of the organization, including departments or divisions and work teams, may be empowered to make budgeting decisions. Operating in a high involvement framework, these groups function almost as "small businesses" or a "mini-enterprises" (Lawler, 1992). Their responsibilities include hiring and firing, scheduling, setting standards, managing inventory, and dealing with customers. To effectively accomplish these tasks, Lawler (1992) suggests that these groups need budgetary responsibility, including the ability for "...processing claims, managing credit card accounts, managing investments, and providing staff services such as fringe benefits" (p. 92). While many private sector organizations have devolved these tasks to the department or division level, there are now examples of these duties being delegated to work teams as well.

Lawler's (1986) work suggests that school-based budgeting would entail allocating most of the budget to schools in a lump-sum and then empowering key stakeholders at the site -- the school site council, the principal, and teachers -- to make budget decisions (Wohlstetter & Mohrman, 1993). Research in schools further indicates that sites need flexibility with the budget, so that school-level participants can make changes to the instructional program, such as the ability to decide the mix of personnel. In Hannaway's (1993) research of two school-based managed districts, principals cited budget flexibility as a critical ingredient for effectively addressing school-specific problems. Research conducted by Brown (1990) also supports the importance of budget flexibility. In his study of centralized districts, one of the primary complaints of principals was that they did not have the flexibility to acquire the resources they felt they needed to competently do their job. A report by the U.S. General Accounting Office (1994) found that schools were able to meet needs as they arose when they had the flexibility to make changes in their budgets.

The literature on school-based budgeting suggests four major areas of authority that need to be shifted from the central office to the school site in order to provide school-level participants with the power and flexibility to improve school performance (Hentschke, 1988; Wohlstetter & Buffett, 1992). The first area is authority over the mix of professionals at the school site. This includes control over the recruitment and selection of staff as well as the ability to decide the number of part-time and full-time faculty; the mix of professionals and paraprofessionals; and the combination of faculty responsibilities, such as in-class and resource duties (Wohlstetter, Smyer, & Mohrman, 1994). Traditionally, the central office has dictated the quantity and mix of professionals in schools. Previous research in districts with school-based budgeting (Wohlstetter & Buffett, 1992) found some evidence of a power shift: schools were usually given the flexibility to determine the experience levels of teachers, but were not able to control the number or types of positions.

A second area of budgeting power is the extent to which schools control expenses related to substitute teachers and utilities (Hentschke, 1988). This includes the ability to accrue savings from these accounts as discretionary funds at the school site. In centrally managed districts, the district office pays for utilities and provides substitute teachers on an as-needed basis. Thus, if schools work to conserve energy by turning off lights after school hours or reduce teacher absenteeism, they do not gain any financial rewards for their efforts. Proponents of school-based budgeting argue that if such expenses were under school control, staff would become more aware of the costs and more efficient in their use of these resources.

The third area of authority is control over the source of supply (Hentschke, 1988; Murphy, 1991). In traditionally managed districts, the district office provides services and supplies to schools and often it is the district, not the school, that decides when they are needed. Under school-based budgeting, schools have the authority to purchase services and supplies from either the district or an outside vendor when the school decides they are needed. Brown (1990) predicts that if schools were given this authority, there would be less of an urge to hoard supplies. Past research of districts with school-based budgeting suggests that central offices have been reluctant to fully devolve this authority to schools, however. Wohlstetter and Buffet (1992) found, for example, that even when schools were allowed to make purchases outside of the district, central office policies were sufficiently restrictive to provide a strong incentive for schools to use district providers.

Finally, the literature on decentralized management suggests that school-based budgeting should allow individual schools to carry over unspent money from one year to the next (Hentschke, 1988; Murphy, 1991). In centralized districts, any unspent money reverts to the district office. Such a policy often pushes schools to make poor expenditure decisions and order nonessential items just so that all of the money is spent on time (Brown, 1990; Prasch, 1990). In decentralized districts, Wohlstetter and Buffett (1992) found that most of the districts they studied allowed money to be rolled over into the following year and, further, that the money became discretionary regardless of its status the previous year, which ultimately helped schools with long-term planning.

In sum, the literature suggests that when power over the budget is decentralized, schools would need to receive lump-sum budgets. School-based budgeting would also entail shifting authority from the central office to allow schools to determine the mix of professionals; how to spend or save money for substitute teachers and utilities; the source of supply; and how to spend unused funds.

What kinds of information are needed for school-based budgeting?

In the private sector, Lawler (1992) found that information needs to accompany power in order for departments and work teams to be able to make good decisions. Indeed, according to Lawler (1992), "effective communication of financial and strategic information is a primary responsibility of senior management" (p. 208). This information might include revenues and costs disaggregated to the department and unit levels, timelines, production reports, and customer satisfaction results. Lawler (1992) suggests the use of technology, particularly electronic mail, as one way to speed up the collection and dispersal of this information.

Similarly, schools need to receive the information necessary for making decisions about how to create and plan a budget, how to allocate dollars, and how to monitor the budget. Brown (1991) recommends that schools be provided with a district handbook to guide staff members through the budget planning process. This handbook might include district goals to guide the budget process; a planning timetable for the upcoming year; district allocation processes used; costs, such as personnel and services, to be incurred at the site; and the budget format to be followed. In addition, on-going monitoring of the budget needs to occur throughout the year. School personnel need continuous access to the status of their accounts, including monthly information about revenues and expenditures relevant to the budget by object, function, and program, so that they can participate in budgeting decisions effectively (Prasch, 1990). An on-line, interactive computer network would give schools ready access to such fiscal information (Wohlstetter & Mohrman, 1993) and could provide an electronic invoice and purchase ordering system. Knight (1993) found that information technology also can be utilized to model the financial costs of alternatives.

Other types of information that would be useful to schools with school-based budgeting include comparative data about other schools' budgeting activities/processes, survey data from parents and other community members about school priorities and performance, and student achievement and personnel data. Such information could be used to inform the budget development process by clarifying student needs and by providing useful school-based budgeting models (Brown, 1990; Wohlstetter, Smyer, & Mohrman, 1994).

What training is needed for school-based budgeting?

The high involvement approach suggests that power and information combined with a lack of knowledge of how to do the tasks assigned produces inefficiencies in organizational performance. Lawler (1992) describes two types of training activities that are needed to build this knowledge base in the private sector. The first type is technical training so that members of the department or work team have the skills to take on the tasks that are required of them. According to Lawler (1992), this training may need to be provided for as long as six to ten years depending on the complexity of the tasks. Interpersonal and team skills, or process skills, are the second type of training. This training, which may be provided by a supervisor, should be continued until the team has reached maturity and can last as long as two to four years.

Research in schools supports Lawler's (1992) findings that knowledge needs to accompany power and information. Prasch (1990), for example, found that staff members resisted change when school-based budgeting policies were adopted without providing training in the use of a new accounting system. In the high involvement framework, professional development specifically designed to build capacity for the budgeting process is critical. Based on the high involvement framework, implementation of school-based budgeting would include two types of knowledge development. First, participants need technical training designed to build managerial knowledge, such as training in program budgeting and fiscal accounting (Wohlstetter & Mohrman, 1993). Second, school-based budgeting participants need to be provided with process training in teamwork skills and the like, since work groups are often created at the school to handle financial decisions. Brown (1991) found that "an important element in the development of the budgeting process is the need to train participating personnel in their new roles that involve planning how money will be spent" (p. 67-68).

In addition to being trained for their new roles and responsibilities, the acquisition of knowledge needs to be an on-going, continuous activity (Wohlstetter & Briggs, 1994; Wohlstetter & Mohrman, 1993). Little (1989) found that staff development was often fragmented in content, form, and continuity. A school's financial environment is highly complex and often unstable; and membership on the school site council is likely to change. Therefore, participants in the budgeting process need to be provided with continuous professional development activities so that they can effectively adapt to changes in the environment and in school performance. According to Lawler (1992), these activities may need to last as long as ten years depending on the complexity of the budget process and how long it takes the budget team to reach maturity.

What changes in the reward structures are needed for school-based budgeting?

Lastly, Lawler (1992) proposes that employees in the private sector need to be rewarded for demonstrated skills and performance in order for an organization to achieve and maintain high performance. Budgeting might be one skill block in a skill-based pay system that would reward individual employees for the number and types of budgeting tasks they could perform. Employees may also be awarded bonuses for group performance. These pay-for-performance programs include gainsharing and profit sharing (Lawler, 1992) that require control over budget allocations and expenditures.

In terms of school-based budgeting, schools need the authority to control faculty and staff compensation. Applying a high involvement approach, teachers would be paid on an individual basis for what they know and can do, and as a group for improved performance (Wohlstetter & Mohrman, 1993). On an individual level, as teachers took on the new tasks required of them in a decentralized management system, they would be compensated for demonstrated acquisition of the knowledge and skills needed to discharge these responsibilities, such as budget management and scheduling (Firestone, 1994). Groups within the school would also be compensated for improved performance. Schools, for example, might reward members on a budget task force for balancing the budget or accruing savings. Firestone (1994) cautions, however, that this process would have to be designed to ensure that savings are not realized by undermining the educational programs of the school, such as through under ordering supplies.

In sum, staff could be compensated on an individual basis, particularly if one person is charged with the responsibility for monitoring the budget, and on a group basis for budget development and planning. Such an approach entails moving away from the current policy of rewarding teachers for years of education and experience.

What Are the Budgeting Practices in Effective Site-Based Managed Schools?

The results from the study reported here used the high involvement framework to explore effective school-based management reforms and within them the exemplary school-based budgeting practices. This research, which is part of a larger study of school-based management, is based on data collected from nine school districts: Bellevue, Washington; Chicago, Illinois; Denver, Colorado; Edmonton, Alberta, Canada; Jefferson County, Kentucky; Milwaukee, Wisconsin; Prince William County, Virginia; Rochester, New York; and Victoria, Australia.[13] In each of the nine districts, an elementary school and a high school were studied.[14] These schools were not typical schools. We went to districts that had delegated real budgeting and personnel responsibility to the school. Within these districts, we went to schools that had been identified as actively restructuring by either the superintendent or the associate superintendent for curriculum and instruction. Actively restructuring schools were defined as schools that had active school-based management governance activities in place, and had made concrete, observable changes to their instructional approaches. Thus, our sample included schools that had used school-based management to improve school performance.

Each district was visited by a team of two or three researchers for two to four days. During this period, budget documents were collected and extensive interviews were conducted. At the district office, the superintendent, four assistant superintendents (for school-based management/restructuring, curriculum/instruction, personnel and finance), selected school board members and the union president were usually interviewed. School site visits included interviews with the principal, vice principal, members of the school site council, union chair, resource specialists or selected department chairs, and several other chairs. In addition, a follow-up interview was conducted by telephone with a budget specialist, usually the associate superintendent for finance, in each of the districts.

How is money allocated to schools?

Among the districts in our sample, all had an allocation formula that was either wholly or partially based on various categories of student needs and/or grade levels. Prince William County allocated money to schools based on ten different categorizations of students (by grade level, special needs, program type, etc.). Jefferson County varied the per pupil allocation according to grade level and student need by providing, for example, an extra $16 for a third grade student on a reduced lunch program and an extra $25 for an eleventh grade student on a reduced lunch program. Sometimes other conditions, such as the size and condition of the school building, were taken into account in the allocation formula as well. In Victoria, for example, the type of building, the number of students, the size of the building, and the condition of the building influenced the school site allocation. Schools in Chicago received money based on enrollment, special needs of students, operation and maintenance of the site building, special programs of the school board, security services, and food services.

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[13] For a more complete description of this study and the research methods, see Wohlstetter, Smyer, & Mohrman (1994).

[14] Both schools in Rochester were pilots for school-based budgeting. Schools in Victoria were not part of the "Schools of the Future" reform where 95% of the expenditures are devolved to the site.

Districts provided schools with varying amounts of budget authority. Most often, there were few discretionary funds given to the school. Victoria, for example, allocated three lumps of money --- one for curriculum, another for administration, and the third for facilities --- to each site, but schools could not transfer money from one lump to another. Furthermore, together these lumps only represented about 10% of the total school budget. As a result, there was not a great deal of flexibility.[15] Similarly, Milwaukee gave each school a line item budget in which money could be transferred, but only if approved first by the district.

A few districts provided schools with more discretion in their site budgets. Edmonton, Jefferson County, Prince William County, and Rochester all allocated schools a budget which was composed of a base allocation for resource needs consistent in all schools, which often included specific staffing positions, and a per pupil allocation for other specified items. According to interviews, budget specialists felt that this was an effective way to take into account economies of scale by providing even the smallest school with funds for a base program as well as money for discretionary spending. This allocation did not comprise the total school budget, however. In Prince William County, for example, this base allocation consisted of salaries for specific personnel, including the principal, librarian, guidance counselor, secretarial/clerical staff, and custodial staff. In addition, salaries for the director of student activities, in-school suspension staff, and security personnel were included in the base line allocation for high schools. A per pupil allocation was then added to this base allocation to provide funding for instructional staff, related support staff, supplies, equipment, and services for students. Several items were excluded from this site allocation, however, including funds for attendance and maintenance personnel, cafeteria staff, student transportation to and from school, utilities, and repair and maintenance of school buildings and grounds. As a result of these exclusions, the districts that provided the most discretion were usually allocating between 85 and 95% of the school budget to the site, but even then many constraints, as discussed below, existed.

Across all schools, a major constraint on school control over spending was that very few discretionary dollars remained after salaries were paid and district restrictions, such as class size, were taken into consideration. Perhaps as a consequence, principals in the schools we studied were active in cultivating resources from outside sources. Almost all of the schools had or were in the process of applying for grants and other funding from the government and private sources. The high school in Milwaukee, for instance, had an Eisenhower grant and a Carl Perkins grant from the federal government and several grants from local foundations. In Victoria, the secondary school raised more locally than it received from the state for the school site budget. During interviews, school faculty in Victoria commented that they viewed the state allocation as the minimum and the additional money they raised provided them with real flexibility. In general, these additional funds helped reduce the constraints of the district allocation and had the effect of increasing the schools' discretionary pots.

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[15] This has changed under the "Schools of the Future" reform where schools now receive money based on a simple per pupil formula and most of the budget is devolved to the schools.

This next section reports on exemplary budgeting practices in the 18 actively restructuring schools and the nine districts that we studied. Our expectation, based on previous research, was that these actively restructuring schools would have authority to determine the mix of professionals; how to spend or save money for substitute teachers and utilities; the source of supply; and how to spend unused funds. We also expected that school-level participants would have access to fiscal and performance data for making budget decisions, be trained in budgeting, and be rewarded for demonstrated knowledge and skills.

Budget Power

To assess the amount of power in schools with respect to budgeting, we first identified who was empowered at the site. As discussed below, we found that a redesign process occurred at the school to accommodate new budget responsibilities. Next, we looked at what control schools had over their budgets, particularly in areas that traditionally have been controlled by the central office.

Who is empowered at the school site? School-based budgeting involves dispersing power that was once centralized in the district office to the school site. Across the sample districts, who was empowered at the school site was often determined by decision-making structures outside of the school. In most sample districts, either central office or state policy formally identified who would be responsible at the school site for the budgeting process. In seven of the nine districts, the task of developing and monitoring the budget was vested with a school site council. The composition of the council was also usually specified by an outside body. School site councils in Chicago, for example, were defined by state policy and were composed of the principal, two teachers, six parents, and two community representatives. By contrast, in Jefferson County, the schools decided who was going to be on the council. Similarly, Milwaukee dictated that parents had to comprise at least 51% of the council, but schools were able to determine the composition of the rest of the council. Two districts, Edmonton and Prince William County, identified the principal as the sole person responsible for the planning and expenditure of all funds. At the district level, such policies typically were set through collective bargaining agreements.

Although who was empowered was formally defined, the exemplary schools in our sample worked hard to ensure that power was devolved throughout the organization. Thus, in effective schools where the responsibility for the budget was delegated to a school site council, the process of developing the budget usually entailed soliciting input from various groups of stakeholders, including parents, so that many constituents participated in the budget decision making process. Further, the council typically set up a budget subcommittee to organize this process. A few councils empowered the principal to oversee budget development.

In the exemplary schools studied, the budget process usually began with the principal and/or a budget subcommittee soliciting input on school priorities. These forums used to get input were both formal (i.e., surveys and scheduled meetings) and informal (i.e., conversations and word of mouth). At the elementary school in Rochester, for instance, the entire faculty identified school needs as a group; the principal helped the group convert these needs to dollar amounts; and then the group prioritized the needs. Such activities were incorporated into regularly scheduled faculty meetings, which were held after school. Similarly, the elementary school principal in Bellevue had each teacher submit an individual budget in addition to soliciting a school budget from the council. In most schools, the principal and/or budget subcommittee developed a site budget based on input from various school constituents and presented it to the school council. The school council usually reserved the right to adopt the budget or request that changes be made.

Similarly, in Edmonton and Prince William County, where principals were solely responsible for the budget, a budget committee composed of the principal and staff members drafted the site budget based on school priorities that had been set by the faculty. This budget then was presented to the faculty for recommendations. Although principals in these districts had the ultimate authority to approve the final budget, they relied heavily on faculty input to guide the process and usually did not contradict faculty wishes. Thus, although principals had veto power, we found in the schools we studied that it was rarely used.

The dispersion of power was critical for preventing turf wars over the budget process. Consider, for example, the high schools where the budget was developed by department chairs rather than through broader stakeholder channels. At the high school in Prince William County, most of the budget was constructed through departments. Dwindling resources took the focus of the budgeting process away from instructional improvement and the school spent significant amounts of time trying to be equitable in distributing resources across departments. Similar problems occurred at the high schools in Bellevue and Milwaukee where primarily department chairs, and not a wide variety of constituents, were actively involved in the budget process.

In most of the schools we studied, principals were critical players in the budget development process. Frequently they were required to serve on the council with duties including chairing the budget subcommittee or implementing budget decisions made by the council. In Edmonton and Prince William County, the district specified that the budget process was to be done in conjunction with multi-constituency input, but the process for getting that input was left to the principal's discretion. Edmonton principals used results from formal district surveys to get a sense of the attitude of parents and the community toward the school, the district and its programs; and the attitude of staff toward students and parents, toward other staff, the school, the district and its programs.

Therefore, while the principal and school staff played the predominate role in budget development, parents and students in exemplary schools were also involved in the process. Although they almost never served on the budget subcommittee, parents and students were surveyed for input on school priorities and needs to guide the process. In general, their participation was restricted to approving the final budget through council membership.

In sum, regardless of whether a budget subcommittee, school site council, or principal was responsible for the budget, in the exemplary schools we studied many stakeholders were consulted during the budget development process.

What control over the budget do schools have? As noted earlier, previous research on school-based budgeting identified four areas of control: authority to determine the mix of professionals and paraprofessionals at the school site, authority over substitute teachers and utilities, the ability to choose where to purchase supplies, and authority to carry over unused funds from one year to the next. In traditionally managed districts these areas are largely under the control of the central office, but earlier studies of school-based managed districts found a shift of control toward the school site (Hentschke, 1988; Wohlstetter & Buffett, 1992). Table 1 indicates the extent to which the districts we studied had devolved control in these four areas.

Table 1

Power Summary Measures for the School-Site Budgeting Process

	Power				
School District	Mix of Teachers & Other Staff	Substitute Teachers	Utilities	Source of Supply	Carry over Unused Funds
Bellevue, Washington	Yes	Yes	No	Yes	Yes
Chicago, Illinois	Yes	No	No	Yes	No
Denver, Colorado	No	Yes	No	Yes	No
Edmonton, Canada	Yes	Yes	Yes	Yes	Yes
Jefferson County, Kentucky	Yes	Yes	No	Yes	Yes
Milwaukee, Wisconsin	Yes	Yes	No	Yes	Yes
Prince William County, Virginia	Yes	Yes	No	Yes	Yes
Rochester, New York	Yes	Yes	No	No	No
Victoria, Australia	No	Yes	Yes	Yes	Yes

Districts provided schools with varying amounts of authority over the mix of teachers and other staff at the site. Schools usually had the power to reduce class size by adding teachers, but could not increase class size due to collective bargaining agreements, district policy, or state law. There was more flexibility in the mix of classified staffing positions, including maintenance and clerical staff. Both the elementary and high schools we studied in Jefferson County eliminated some custodial and librarian positions so that they could add more staff to the classrooms, such as teacher aides. A school in Rochester eliminated a custodial position and used the extra money to purchase additional supplies and equipment.

Schools frequently had difficulty increasing the number of teachers at the site because most districts allocated teacher salaries using a district-wide average. According to interviews with budget specialists, this allocation method was used to prevent schools from trying to save money by hiring more inexpensive, and possibly less qualified, teachers. While this provided schools with hiring flexibility in terms of experience, it prevented site flexibility in the number of positions. Unlike the private sector where changes in staffing patterns is a major component of high performance, schools were not able to save money through teacher salaries and, therefore, could not really change staffing much because money for an additional teacher had to come from another source. As a result, most of the changes made in professional staffing patterns were relatively minor. The high school in Prince William County, for example, shifted a full-time classroom teacher to part-time and had the person serve as the school's budget officer the rest of the time. This person was a teacher who worked part-time on the school site budget and taught in the classroom the rest of the time.

Similar findings were found in districts where teacher salaries were not allocated to the school site. In Bellevue, the staffing of administrators and teachers was determined centrally by ratio. Schools had to submit a special waiver for changes in their staffing patterns. Likewise, the mix of professionals and paraprofessionals at the school site was centrally determined and allocated in Denver and Victoria based on student enrollment.[16] Once again, schools in these districts were unable to make significant changes in their professional staffs.

Almost all of the districts in our sample decentralized money for substitute teachers to individual schools. This enabled schools with low rates of teacher absenteeism to accrue money allocated for substitute teachers and to use it for other purposes. At the same time, schools that went over this allocation usually had to access other funds in order to balance their budgets. There was some form of a "hold harmless" provision in all of the districts that served to protect schools from financial hardship, however. Bellevue and Jefferson County gave schools control over funds for professional leave activities, while the district covered the cost of uncontrollable items such as illnesses and emergencies. In Milwaukee and Rochester, schools were allocated a set number of substitute teacher days per teacher per year, based on the district average. These districts then paid for any days exceeding this amount. (In essence, these policies in Milwaukee and Rochester created a win-win situation for the schools. The schools could have more money by saving substitute teacher funds, but the district bailed them out if they went over their budgeted allocation.) Finally, schools in

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[16] Denver gave schools the actual salary allocation but this was for reporting purposes only and the allocation could not be altered.

Edmonton and Prince William County were provided with funds to cover the cost of short-term absences, but the district picked up the cost of substitute teachers after the regular teacher had been absent for more than three consecutive days.

In interviews, faculty members stated that substitute teacher funds, if carefully spent, could be used to enhance budget flexibility by empowering schools to trade-off substitute teachers for other resources. This was one area where schools had some real budgetary flexibility, but it represented only a small portion of the budget. We heard evidence, however, suggesting that teachers had begun to feel the collective impact of their individual decisions. As one teacher explained, "If a teacher calls in sick and does not come to work, then that teacher has made the decision to use school money for a substitute teacher."

As shown in Table 1, it was more common for districts to decentralize funds for substitute teachers than for utilities. Some districts argued they retained control over utilities for efficiency reasons. Jefferson County, for example, had a district-wide, computer-controlled energy management system to maximize efficiency. As a result, even if the districts had decentralized the cost of utilities to the school site, the school may not have had control over these funds. In Chicago, the cost of utilities was allocated to the schools for record keeping purposes, but they were paid for centrally. Furthermore, schools in Chicago were not penalized for utility costs exceeding their allocation nor were they rewarded for any savings. In Jefferson County, the cost of operating the energy management system was put into each school's budget, but schools had little control over the system or these funds. Of the sample districts, Edmonton's approach was the most radical, allowing schools to control funds for both utilities and substitute teachers.[17]

Generally speaking, the interviews suggested that schools did not want control over utilities. Among school-level participants, there was a preference for controlling funds related directly to managing instructional activities, but not for controlling funds related to the physical plant. In Jefferson County, the district handled most expenditures related to the building. As the principal at the elementary school commented, "I don't want to be a manager of a hotel. I want to focus on the business of schooling." This sentiment restricted school site authority over the budget process, however. Much of the budget was already constrained through restrictions on teacher salaries and, as a result, schools had relatively small amounts of discretionary funding. Central office jurisdiction over utilities further constrained the dwindling discretionary pot at the school site.

Whether schools could choose where to purchase supplies, staff development, and maintenance services was another element of budgeting power. Most of the districts we studied allowed schools to make purchases from vendors outside the district, but the central offices usually had mechanisms in place to discourage schools from doing so. Jefferson County, for example, restricted purchases outside of the district to a pre-approved list of vendors. Among the sample districts, only Rochester required schools to use the district warehouse and central office for supplies.

Districts also frequently monitored the amount of money that was spent on outside vendors to ensure that costly errors were not made. In Bellevue, schools could only make purchases under $100 outside of the district. Similarly, schools in Jefferson County and

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[17] According to district policy, authority over utilities was initially optional for schools in Edmonton, but eventually all schools would have funds for utilities in their site budgets.

Prince William County had to use a bidding process designed by the central office for purchases over $5,000 and $2,500 respectively. This bidding process required schools to solicit a minimum number of bids and the central office usually had final approval. According to interviews with central office administrators, districts put in place these deterrents to prevent schools from spending more than they needed to on a particular good or service. These costs amounted to less than 5% of the whole school budget, however, and appeared to unnecessarily constrain the budget without any clear focus on results.

Some schools bought supplies outside the district even if they were discouraged from doing so. In Milwaukee, for instance, schools were strongly discouraged from purchasing maintenance services outside, because the central office felt schools paid a premium for these services. Schools continued to use these outside services, however, because the response was so much quicker and, as a result, it was more cost-effective for them to do so. According to an interview with the budget specialist in the central office, this use of power at the school site had forced the district maintenance department to become more competitive. Not only is this what is supposed to happen in the ideal school-based budgeting process, but studies in the public sector suggest that this type of response builds a central office culture focused on providing services instead of on reinforcing rules (Barzelay, 1992).

As shown in Table 1, over half of the districts in this study, which had been identified as having exemplary school-based management practices, had unspent funds revert back to the central office at the end of the year. In Rochester, state law prohibited the carry over of unspent funds. Chicago allowed state Chapter 1 funds to be carried over, but general funds reverted back to the board of education. Denver was in the preliminary stages of allowing schools to carry over unused funds and was piloting the program in a couple of schools.

In other districts where schools were able to carry over funds from one year to the next, restrictions usually existed. These restrictions included allowing schools to carry over funds only in certain accounts, such as equipment and supplies, or restricting the total amount that could be carried over. In Prince William County, for instance, schools could only carry over a small amount -- $1,000 for elementary schools and $3,000 for high schools.

Many schools took advantage of the opportunity to carry over unused funds, regardless of whether or not restrictions existed. One elementary school in Edmonton accrued a $25,000 surplus over a five-year period. Similarly, schools in Milwaukee carried over $6 million district-wide in one year. As a result, schools were able to make purchases that otherwise would not have been possible by adding unspent money to their discretionary pots. Furthermore, the evidence suggests that schools were making budget decisions carefully each year to ensure there was money to carry over.

Schools that had the power to carry over unused funds also usually had to carry deficits into the next fiscal year as well. A school in Jefferson County, for example, overspent by $2,100 in one year. This deficit subsequently was rolled over into the following year's budget.

In sum, there was a gap in the schools studied between the ideal and actual amount of power devolved to the site. There continued to be many restrictions on the budget, such as in the mix of teachers, which resulted in a very small discretionary pot for the school. As a result, allocations had not changed substantially because schools did not have the flexibility to do so. Districts were slowly scaling up the level of discretion at the school site, however. Several districts had implemented pilot programs that would eventually be expanded to all of the schools. Edmonton schools had the option for utilities to be included in the site budget and Denver had piloted the ability to carry over unused funds in a couple of schools. Eventually, all Edmonton schools would have utilities included in the site budget and all schools in Denver would carry over unused funds. Therefore, although there was a gap between ideal and actual school-based budgeting practices, districts were working to slowly close this gap.

Budget Information

In schools with budgetary powers, districts need to provide schools with the information they need to create, implement, monitor, and evaluate their own budgets. Access to a computer network on which schools can input their budgets and shift funds from one account to the next provides schools with immediate, current fiscal information (Wohlstetter & Mohrman, 1993). Not only does this save time and paper shuffling, but it can also be used to provide schools with information about other performance measures, such as attendance rates and parent survey results (Odden, 1994).

Most of the exemplary school-based managed districts we studied had already developed a computer network linking schools to the central office or were planning to do so. There was a great deal of variation across districts in how far advanced they were in this process. With Schools of the Future, for example, Victoria was going to have a fiscal and student information system that would be available on-line to schools. The system would include revenues listed by their source, budgets for each program, an automated invoicing and purchase ordering system, a student scheduling system, and a process for recording student information. Denver, however, was still a couple of years away from having schools on-line, but was planning for it.

A couple of districts enabled schools to input their budgets on-line and use the system to shift funds between accounts. In Jefferson County, schools could create their budgets on computer terminals using various menus. One menu, for example, gave the value for various site positions. From these menus, a work paper was created for the budget. Over the year, changes could be made by transferring between codes. This system provided schools with instant information about the status of their accounts. Such systems allowed schools to monitor their own budgets and also reduced the oversight role of the central office.

In most districts where schools were on-line, the technology did not allow schools to make budget changes and it only provided information about the budget allocated to the site. Thus, although schools could create a budget or view their accounts, they could not make purchases or transfer money from one account to the next. In Chicago, the computer network was used only to input the school site budget. After that, expenditures were processed with a lag time through paperwork. As a result, many schools were not really using much technology in the budget development process. Although schools were on-line for budget information in Rochester, for example, the budget specialist did not think that schools were really using this resource.

Districts recognized that these constraints were unnecessary and were exploring ways to expand the capabilities of the computer network, once again trying to scale up and reduce the gap between real and ideal practices. Milwaukee was working to expand its computer capabilities to include information for budget forecasting to assist with longer-term (three to five years) planning. Likewise, Chicago was moving toward a system where schools could process requisitions electronically and create checks for nonprofessional services.

In addition to information transmitted via computer networks, most districts provided schools with other budget information. This included both planning information, such as a district budget manual that took schools through the steps of developing a site budget, and monitoring information, such as monthly budget updates (if this information was not available on-line). Often the budget manuals emphasized that the budgeting process should be used as a tool for achieving local priorities and goals. Edmonton's manual required schools to list specific school priorities, measurable school results related to each priority, primary indicators used to determine the extent to which the result had been achieved, and descriptions of the activities and strategies used to achieve the results. The school was then supposed to create a budget to accomplish these goals.

Monthly budget updates were provided in some districts to enable schools to assess their own progress. Rochester, for example, provided schools with a computer printout each month that listed how much had been spent to date. Every expenditure was provided in detail so that the schools knew how much had been spent on supplies, service contracts, and every other code in the budget. In addition, schools in Rochester had access to data regarding student enrollment and attendance. There were several districts, however, that did not provide information as frequently or comprehensively. The budget specialist in Milwaukee, for example, felt that the schools needed better information for the current year and the district was working to improve this service.

There was evidence suggesting that schools that received this information appeared to be using it. The elementary school principal in Jefferson County, for example, provided the school site council with monthly budget updates, including the balance by line item. At the same time, however, this practice was not consistent across schools. In Chicago, the teachers were relatively unaware of the monthly status of the budget and were focusing on curriculum and instruction issues instead.

Access to information about innovative budget processes was another form of information that a few districts provided to schools. This information was used to help schools improve their own budgeting processes. A couple of districts promoted and encouraged sharing information with lots of informal opportunities for schools to learn from one another, such as through district-sponsored principal meetings and teacher networks. The central office in Bellevue also facilitated sharing by serving as a clearinghouse, referring one school to another. As a consequence, many schools in Bellevue used similar budgeting systems despite the wide flexibility given to them by the district office. Similarly, in both Jefferson County and Prince William County, experts from outside the district, including the superintendent from Edmonton, were brought in to provide new perspectives on the budgeting process and informal opportunities, such as the principal liaison groups in Jefferson County, existed for schools to learn from one another.

There was, however, evidence that most districts' political cultures made it difficult for schools to share with one another. Milwaukee, for example, was described by people we interviewed at the elementary school as an extremely competitive system which made sharing across schools unpopular. Rochester schools were forced to share information about how they developed their budgets through a "freedom to access of information" act, but the information had to be formally requested from the district which was politically difficult for schools. As a result, information sharing was idiosyncratic and dependent upon school initiation and district support.

Another kind of information available to many of the schools we studied was feedback from constituents. Feedback was used in some districts and schools to help set priorities for the upcoming year. Chicago, for example, required school site councils to convene at least two "well-publicized" meetings every year to gather input from the entire school community on the School Improvement Plan, the school budget, and the annual school report. Edmonton also required public budget meetings and further, the district conducted yearly district-wide surveys of staff, students, parents, and community members.

Exemplary schools used such feedback from constituents to develop their guiding framework, or mission statement, and to inform the budget process. A guiding framework provided direction to the budgeting process because it forced the school to determine its priorities and to allocate its budget accordingly. In Edmonton, the school site budget was viewed as a tool for meeting local needs and priorities. Feedback from constituents in the form of survey information was used within the school to help develop budget priorities. In addition to district surveys, parents and teachers in Edmonton were surveyed constantly throughout the year by the schools. The parents at the elementary school said they rarely attended budget planning meetings, because they trusted the school staff and knew that their priorities had already been stated through the surveys. In effect, sharing information built up enough trust that responsibility was delegated while still maintaining a sense of ownership over the decision-making process.

In sum, information served a twofold purpose for most districts. While it was recognized that schools needed information to be effective in the budgeting process, concern was also expressed about the importance of the district's oversight role. In Edmonton, problems in misallocations at school sites led to increased central office control. Frequent reporting of information provided the district with an accountability mechanism. Therefore, information also had a compliance orientation typical of information sharing in traditionally managed districts, reflecting once again the gap between ideal and actual budgeting practices. The computer networks had the potential to meet both the need for central office oversight and the need to provide schools with frequent, comprehensive information. Ideally, they could provide schools with quick access to budget information while still allowing the central office to easily monitor school-site budget activities. This was one way that districts were scaling up to reduce the gap between ideal and actual budget information practices.

Budget Skills and Knowledge

In the smoothly functioning site-based managed school, professional development is typically a bottom-up activity in which people at the school site define their own training needs and how services will be delivered (Wohlstetter & Mohrman, 1994). With respect to budgets, we found that the district office continued to provide most of the training and professional development. Thus, despite the fact that many schools in our sample could go outside the district to purchase services and had at least some discretion over professional development funds, they continued to rely on the district for budget training.

To assess the nature of professional development in relation to budgeting, we determined the types of staff development activities that were needed, whether or not these activities were being offered in the districts, and, if so, whether it was an ongoing, sustained activity. To begin with, participants in the budgeting process need a wide range of knowledge and skills in order to effectively create a budget. Since budgets at the school site were usually developed in committee, this included both group process skills, such as consensus building and learning how to work in teams, as well as technical skills specifically related to budgeting, such as how to develop and monitor a budget.

In this study, almost all of the districts provided schools with at least some training to assist participants in the budgeting process, but over half of the districts did not provide technical training. In Bellevue, an orientation was held for district schools covering such areas as the contract and policy procedures for site-based management teams; decision-making, consensus-building, and conflict resolution skills; how to process information during council meetings; and leadership training. The district had not provided very much technical training for school-based budgeting, however. Similarly, Rochester had a department in the central office for school-based planning to provide training in process skills to the school site teams, but there had been very little technical training for budgeting. This lack of technical training frequently lead to frustration among school staff about their lack of understanding of the budget process. For example, while central office staff in Rochester felt that school-level participants were very knowledgeable about the budget formula and did not need training, teachers at the elementary school we visited were, in fact, frustrated by their lack of budget skills.

A few of the districts provided schools with both process and technical training. Much of the technical training was designed to teach schools how to create a budget using the district's guidelines for school-based budgeting. This training included seminars on learning how to use the computer systems and on how to develop a budget according to district specifications. Chicago, for example, provided training to principals in the operation of the various automated systems used to input the budget. The school staff that received technical training appeared to be more comfortable with the budget process than those who did not, but they were not necessarily more involved. At the elementary school in Chicago, for example, teachers had turned most of the management of the school, including the budget process, over to the principal.

Most of the districts we studied held in-services to help school-level participants develop process skills, such as problem-solving and effective communications, at least once or twice a year. Rochester, for example, held an annual in-service on how to reach consensus and how to work in teams. In the few districts where technical training was provided, it was also usually offered at least once or twice a year. The number of sessions offered varied from district to district. In Milwaukee, a formal in-service that covered budgeting was held at the beginning of each year while Prince William County provided at least two in-services a year for bookkeepers and a training session on budgeting for principals.

Some of the districts we studied provided schools with some initial in-service training, but it was not sustained. School-level participants in Denver, for example, received initial training in participation skills, consensus building, and other team-building skills. In these districts, very little additional staff development was provided after the initial training sessions, even though participants changed routinely each year. Some respondents cited the lack of support staff in the central office as the primary reason for so little follow-up. While

Lawler's (1992) findings suggest that professional development is only needed until the staff are competent in their new roles and responsibilities, it appeared that some of these districts were terminating these activities too soon.[18]

Several models of staff development emerged in the districts we studied. Sometimes staff development was a central office-initiated activity, but more often schools initiated their own. District-initiated staff development usually dictated which school-level participants should attend and often only a few were selected to attend training on the budget. In Edmonton and Victoria, principals were primarily given training while Milwaukee and Prince William County provided training to school principals and business managers. Part of the training for Edmonton principals included year-long positions in the central office so that they could be more aware of how the district operated before returning to their school sites. Often the sites used these few trained people as resources within the school to, in turn, train other school staff. Thus, teachers at both the elementary school and the high school in Prince William County seemed to have a good grasp of the budgeting process despite the fact they had not received training from the district. In effect, school-level people became partners with the district in delivering training around the budget.

Other staff development activities were school-initiated. Schools requested assistance from the district or other service providers and the training was developed and tailored to the school. Most school-initiated staff development was in the form of one-on-one assistance. Some districts offered telephone numbers where schools could call to get questions answered and central office personnel were available to come to the school site. The central office in Prince William County had two people who spent almost all of their time answering budgeting questions on the phone, while Edmonton had one person dedicating 90% of his time traveling to schools to provide training. Some training was tied to demand. So, for example, in Chicago, the Department of Purchasing was available to present purchasing seminars and the budget office in Prince William County could hold additional budget in-services if schools requested such services. Similarly, the district's budget personnel in Bellevue were available to make presentations at principal and school manager meetings and other similar gatherings upon request.

Overall, schools generally relied heavily on the central office to provide training for budget-related skills. At the same time, however, much of the training was school-initiated, either in the form of requests for one-on-one assistance or to increase the number of training sessions held. Because of the lack of technical training in most of the districts, however, staff development was relatively fragmented and largely dependent on the availability of one-on-one assistance. As a result, there was a large gap between ideal professional development practices, in which staff development is continuously provided until the school site staff have achieved the expertise needed, and the actual practice in the districts. Furthermore, there was little evidence that districts were scaling up to close this gap, but central office personnel were beginning to recognize that more assistance was needed. As the budget specialist in

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[18] This was not true in all districts. In Jefferson County, where principals had between three and nine years' worth of experience in budgeting, only two elementary school principals and no middle school principals attended the annual budgeting in-service. The district's budget specialist believed that this was because these principals simply did not need further assistance. Similarly, one could argue that school staff in Victoria did not need process training since they had been engaged in school-based management activities for over 20 years.

Denver stated, "Staff development is a terrible need and we don't meet it."

Rewards

A decentralized reward structure enables schools to reward staff for skills and performance and according to local priorities. In general, there were basically two characteristics of the formal reward structures that were decentralized in the districts we studied. First, districts did not pay teachers or principals for additional skills learned. There was no assessment of budget skills and no bonus tied to mastery of such skills. Second, some districts paid teachers for additional work. Such policies were usually initiated and worked out through collective bargaining agreements.

Another characteristic of site-based rewards was that they were more intrinsic than financial in nature. In general, schools provided lots of "pats on the back" to their teachers and other staff. The elementary school in Jefferson County provided teachers with flowers for Mother's Day and an appreciation dinner, while the high school teachers were recognized by the Parent/Teachers' Association during National PTA week. Among our sample schools, there were a few instances of financial rewards. The high school in Milwaukee, for example, chose to use one-sixth of its local budget to compensate council members for their time. Similarly, schools in Bellevue issued stipends for leadership roles that were played. Many schools also used staff development opportunities as a reward. Staff, however, did not always perceive these opportunities as part of the reward structure. At the high school in Denver, several teachers did not consider staff development money to be a reward.

Many of the site-based managed schools we studied theoretically had the power to reward faculty, but choose not to exercise it. Most schools could shift money around in the budget to award bonuses to teachers for learning new budgeting skills, but the schools opted not to do this. During interviews, several principals mentioned that they avoided such distinctions among faculty since this usually led to feelings of "winners and losers." Furthermore, the organizational culture frowned upon such differentiation.

In order for school-based budgeting sites to truly control the reward/compensation system, the high involvement framework calls for a shift from district policy, and collective bargaining agreements, to a school-based policy where the reward system for faculty is aligned with school goals. At this time, there is currently some experimentation occurring with decentralized compensation/reward systems. These are usually district-driven reforms and they are not often present in school-based managed districts. Some districts in Colorado, for example, are experimenting with delegating authority over compensation structures to school sites, but Denver is not. In fact, the schools in Denver wanted to compensate teachers for not using their sick leave or for working overtime and were constrained by district rules and regulations. Thus, the evidence suggests that innovative reward structures are being adopted as separate, stand-alone reforms, instead of one component of a more comprehensive approach to systemic school reform.

Conclusion

School-based budgeting, like school-based management, is a tool to help schools achieve high performance -- not an end in itself. Although school-based budgeting can be used to help schools accomplish desired goals by enabling them to allocate money according to local priorities, stakeholders at all levels must be willing to be engaged in the effort. The central office personnel have to be willing to devolve power and provide support in the form of knowledge, information, and rewards to the schools while similar processes need to occur among constituents within the school.

In this study of exemplary school-based managed schools, we found evidence of a broadened definition of school-based budgeting, but there was still a tremendous gap between school-based budgeting within the high involvement framework and what was actually occurring in the districts. Districts had decentralized some budget power, but schools had little discretion after district, and sometimes state, constraints were taken into consideration. There was a scaling up process occurring, however, as districts experimented with devolving authority over various items. Similarly, information sharing was often restricted by the political culture and use of technology within the district, but several districts were working to close the gap between ideal and real practices by expanding the use of technology in the budget process. While there was not as much evidence to suggest that districts were scaling up to reduce the gap between the need for continuous, ongoing staff development and the current fragmented practice of providing professional development according to availability and demand, there was a growing recognition that more training was needed and there was potential for growth in this area. Finally, there appeared to be very little experimentation with reward structures in schools, but there was movement toward the high involvement framework as some schools were beginning to manipulate budgets in ways that allowed participants to be rewarded for skills.

In conclusion, there are several policy implications for local, state, and national actors from this study of school-based budgeting. First, power that is devolved needs to be real power so that schools can allocate money according to site needs and priorities. Second, the flow of information can be improved with the use of computer systems that provide quick, up-to-date information that is needed to make good decisions. A guiding framework, provided by a state or district curriculum guide for instance, also informs the site-based budgeting process because it helps the school to develop its mission which in turn helps schools establish priorities and make budget decisions. Third, the money for professional development needs to be set aside to ensure that it is continuously provided so that participants can improve their budget decision-making processes. Finally, more experimentation is needed in terms of rewards. We have experiments with teacher compensation systems going on, but not in districts that have decentralized aggressively. There appears to be a need to marry the two reforms into a comprehensive strategy to create high performance schools.

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Generating Curriculum and Instructional Innovations through School-Based Management[19]

Abstract

This study examined how schools utilize school-based management to introduce curriculum and instructional changes. It builds on previous research which concluded that school-based management can be more effective when the conditions associated with high-involvement organizations -- namely, the decentralization of power, knowledge and skills, information, and rewards -- are in place. In the present research, we assessed the extent to which these four conditions along with three other factors -- an instructional guidance system, leadership, and resources -- facilitated the implementation of four categories of curriculum and instructional innovations. Data from seventeen schools in eight locations supported the premise that higher levels of reform take place when higher levels of more of these supporting conditions are present at a school. Furthermore, all of these conditions, with the possible exception of resources, appear to be instrumental in facilitating these innovations. A number of avenues for future research are suggested.

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Generating Curriculum and Instructional Innovations through School-Based Management

This study assessed the relationships between seven factors hypothesized to support the implementation of curriculum and instructional reforms, and four categories of such reforms. Data from seventeen schools supported the premise that higher levels of reform take place when higher levels of more supporting conditions are in place.

School-based management (SBM) has become a popular reform in public school districts around the country. SBM constitutes a decentralization of decision making authority from a school district's central administration to decision makers at the school level as a means for stimulating school improvement (Malen, Ogawa, & Kranz, 1990). Across districts, there has been considerable variation in the impetus behind the reform, the amount of authority decentralized, the relative power of the constituents included in school decision making, and the administrative structures implemented at the school site (Ogawa & White, 1994; Wohlstetter & Odden, 1992). However, the basic element underlying the various forms of SBM is a change in the formal governance of the school.

SBM is typically oriented towards increasing the level of involvement of multiple stakeholders in the governance and management of schools. Such involvement is believed to generate a number of benefits for the school. It enables the school to tailor educational decisions to the needs of the local community it serves, thus facilitating a more effective utilization of the school's limited resources. It allows a greater range of perspectives to be taken into account in school decisions, thereby tapping into the energies of people more fully and empowering them to introduce improvements into their school. Ultimately, a primary purpose of SBM is usually to enhance school performance and the quality of education provided to its students.

Unfortunately, the empirical research investigating the link between school-based management and school improvement has been rather limited (Summers & Johnson, 1994). Furthermore, one comprehensive review of this literature (Malen et al., 1990) indicates that the impact of SBM is fairly limited. This prior research, and the experiences of a myriad of schools, makes it clear that a shift to school-based management does not guarantee subsequent school improvement. Hence, a critical question focuses on what conditions are necessary for SBM to enhance the quality of education provided to students.

To explore this question, it is useful to make explicit the distinction between SBM as a governance mechanism through which decisions get made, and the process of using this governance mechanism to generate innovative practices that will improve the quality of education (cf. Robertson, forthcoming). School-based management at a given school can be evaluated in part in terms of the extent to which it is an effective governance mechanism. Such an evaluation would consider the quality of the school's decision making processes including, for example, the nature of the involvement and influence of all the relevant constituents, their ability to build consensus and avoid the emergence of conflicting factions, and their capacity to address key issues rather than focusing on trivial decisions.

In addition, it is equally important to evaluate the effectiveness of SBM in terms of the extent to which it facilitates the process of change at a school. As is true of any other governance mechanism, the decisions made under SBM may or may not focus on organizational innovation and change. They may concentrate instead on efficient functioning or enhancement of current approaches. But schools currently exist in rapidly changing environments that require new and different approaches to improve performance and meet environmental demands and constraints. Under these conditions, the effectiveness of SBM rests on its ability to guide the school through a change process that includes the introduction of new approaches to teaching and learning. Effective governance includes the ability to make decisions that enable the school to introduce such changes.

Thus, a full understanding of how SBM can benefit a school requires identification of the conditions needed to motivate and enable schools to use their acquired decision making power to adopt significant innovation aimed at improving school performance. This paper reports the findings of our research regarding the governance and management strategies that most effectively support the use of school-based management to implement innovations in curriculum and instruction at the school site. We hypothesized that supporting conditions must be in place to promote effective SBM processes and to focus these governance processes on school reform. This research constituted the second phase of a larger project. It built on the first phase of the research, which took an exploratory approach to examining how districts and schools design and implement school-based management such that it becomes an effective mechanism for introducing reform in curriculum and instruction. The findings from the first phase (Mohrman, 1993; Mohrman, Wohlstetter, & Associates, 1994; Odden & Odden, 1994; Robertson & Briggs, 1994; Wohlstetter, Smyer, & Mohrman, 1994) provided the foundation for the research questions examined in the current research. Therefore, we summarize the first-phase findings below, followed by a delineation of the research questions addressed in this study.

Conditions Supporting School-Based Management as a Governance Mechanism

The first phase of the research was guided by a theoretical framework -- Lawler's (1986) high-involvement model -- that focuses on increasing employee involvement in organizational decision making. According to this framework, efforts to improve organizational performance are more likely to be successful if employees throughout the system are actively involved in the process. Furthermore, the requisite employee involvement is more likely to occur if it is supported by a decentralized approach to management and organization that focuses on four key elements.

The first of these is power. By definition, any mechanism for organizational decentralization entails the shift of power to lower levels of the hierarchy. This is the basic characteristic of SBM, namely, the shift of some decision making authority from the district administration to the school site and the inclusion of school-level constituents in the decision making process. However, Lawler (1986) suggests that three remaining elements must be decentralized in order to facilitate the development of meaningful patterns of involvement oriented towards improved performance. These elements are knowledge and skills, information, and rewards. To make good decisions, participants need the knowledge and skills required to enact their expanded roles so as to improve outcomes and achieve high performance. This includes not only technical knowledge regarding how to do their job, but also business knowledge relevant to managing the organization and interpersonal skills required for working together as a team. They also need timely information about organizational performance, especially regarding organizational goals and objectives and the extent to which these are being attained. Finally, it is important for rewards to be aligned with the behaviors, outcomes, and capabilities required for high performance. This provides incentive for employee involvement and holds people accountable for their contributions to organizational performance.

The high-involvement model serves as a useful framework with which to analyze the conditions necessary for SBM to be utilized effectively. A recent review of the SBM literature indicated that knowledge, information, and rewards are often not adequately decentralized in SBM efforts (Ogawa & White, 1994). Hence, a primary objective of the first phase of our research was to explore the extent to which school-level changes related to the four elements of the model facilitated the effective use of school-based management. By studying districts at the forefront of this reform, we found that, in general, attempts *are* being made to provide participants in school decision making with the knowledge, skills, and information they need to serve as effective decision makers. However, schools are not making much progress in terms of developing reward systems to reward individuals and/or schools as a whole for better performance (Wohlstetter et al., 1994).

In addition to these general trends, differences were also apparent among the individual schools examined. In particular, a comparison of schools that had been identified by district officials as "actively restructuring" under SBM (i.e., successful in making changes aimed at improving instructional effectiveness) to those schools identified as "struggling" (i.e., active with SBM but less successful in making changes) indicated differences in terms of three of the elements of the high-involvement model, namely, power, knowledge, and information. The one exception is the distribution of rewards for performance, which were almost nonexistent in any of the schools studied.

Actively restructuring schools used a number of approaches to share power widely among the various school-level stakeholders, including people who were not on the primary decision making council. They utilized their authority over the mix of personnel positions in innovative ways to support teaching and learning objectives. Struggling schools tended to empower only a subgroup of the faculty and to have only a limited number of mechanisms for involving additional people in the decision process. These schools frequently got bogged down in establishing power relationships, and there was often a power struggle between the principal and the staff. Knowledge and skill development at the actively restructuring schools was oriented toward building school-wide capacity for change and toward promoting a sense of professional community and a shared knowledge base among the faculty. Sources of professional development at these schools included training from outside the district and even from outside traditional educational circles. In contrast, professional development at the struggling schools tended to be an individual activity rather than a means of creating school-wide capacity for improvement, with subject matter often controlled by the central administration. The actively restructuring schools demonstrated better communication of information among constituents, including an increase in formal opportunities for interaction among teachers and a strong customer service orientation toward the community. Struggling schools, in contrast, usually had few mechanisms for sharing information among and between stakeholders, and even these usually operated on an informal rather than a formal basis.

In addition to these elements of the high-involvement model, our data suggested the possibility of two more conditions that seemed to be associated with the effective use of SBM. One is the presence of an "instructional guidance system," which includes a state or district curriculum framework along with the school's teaching and learning objectives and the means by which they are to be accomplished articulated within the parameters of the broader framework. Most of the actively restructuring schools had a well-defined vision delineating the school's specific mission, values, and goals regarding student outcomes. This vision served as an impetus and a focal point for decisions regarding what types of reforms to implement. Without such a vision, schools were usually less able to get very far in terms of designing and implementing any reforms.

The second condition has to do with the nature of the school principal's leadership role (Wohlstetter & Briggs, 1994). Principals at the actively restructuring schools were highly regarded by the faculty as being strong leaders. Some of them were adopting more of a managerial or even a transformational role, with a focus on effectively managing the whole of the social system rather than just the curriculum and instructional aspects (cf. Murphy, 1994). This orientation incorporates both an internal and an external focus. Internally, these principals motivated their staff, created a team feeling on campus, and worked to shield teachers from concerns in which they had little vested interest or expertise. Externally, they gathered information regarding educational research and innovative practices to share with their teachers. They were also entrepreneurial in that they sought out grant opportunities and encouraged faculty to write proposals to gain funding for desired innovations.

In summary, our findings from the first phase of this research suggested a number of factors that facilitate the use of school-based management as an effective form of governance for a school. Described above in terms of the elements of the high-involvement model, the use of an instructional guidance system, and the role of the principal, the bottom line is that effective utilization of SBM governance requires the development of high quality decision making structures and processes at the school. The adoption of school-based management can initiate the process of school improvement, but unless school decision makers effectively utilize their new power to introduce meaningful changes in school functioning, they are not likely to achieve improved educational quality. Since not all SBM schools are able to generate such changes, it is important to better understand the conditions required for schools to use SBM to generate significant reforms intended to enhance teaching and learning. This was the focus of the second phase of our research, which is described more fully below.

Focus of the Study

If school-based management serves as the mechanism enabling school participants to implement the reforms they deem necessary to improve school performance, then a key question focuses on the nature of the reforms that would lead to such improvements. Reformers have not been able to achieve consensus regarding the best approaches to use to deliver education, especially regarding curriculum, instructional techniques, and the organizational design of the school (cf. Bacharach, 1990; Clune, 1993; Rowan, 1990; Tyack, 1991). However, a current wave of literature is based on the premise that significant improvement in student learning in public schools will require a systemic restructuring of these schools, wherein educators reconceptualize the school organization, the roles of the individuals involved, the outcomes to be obtained, and the practices they use to accomplish their goals (e.g., Elmore and Associates, 1990; Murphy & Hallinger, 1993). Many proponents view the adoption of new curriculum content, instructional practices, and assessment approaches as critical elements of the required reform.

A number of themes regarding desired innovations in these areas can be found in the literature (e.g., Cohen, McLaughlin, & Talbert, 1993; Fuhrman, 1993; Newmann, 1991; Porter, Kirst, Osthoff, Smithson, & Schneider, 1993; Smith & O'Day, 1991):

- ○ Greater focus on "teaching for understanding" such that students better develop their ability to address complex problems and issues; this includes more attention to activities oriented toward higher order thinking skills such as problem solving and creating instead of simply reproducing knowledge, greater use of interdisciplinary curricula and cooperative learning, and assessment based on samples of work that illustrate understanding and application rather than memorization and reproduction;

- ○ An enhanced focus on the ability to use the tools of the workplace of the future; in particular, this means a greater emphasis on the use of technology as a tool for learning and producing;

- ○ More attention to the effective education of *all* students, i.e., across the full range of the ability spectrum; reforms in this direction include individualized instruction, non-graded classrooms, and "mainstreaming" of students with special needs;

- ○ Greater integration of the education process; this entails internal integration through team teaching, i.e., teams of teachers taking responsibility for a larger portion of the learning of a defined group of students, and external integration through the development of linkages to the community for educational purposes as well as linkages to other relevant community services.

In this phase of our research, we assessed the extent to which a set of actively restructuring schools (different from those that were included in the first phase of the research) had implemented reforms in these four categories. We focused on these particular reforms not only because they have received attention in the literature, but because these were the types of innovations that we found were being implemented frequently in the actively restructuring schools in the first phase of our research. In this prior phase, the distinction between actively restructuring schools and struggling schools was assessed by district administrators and coordinators, self-reported by the principals, and verified through interview questions that elicited brief descriptions of changes in their instructional approaches. However, we did not focus in any detail on the nature of the changes and the extent of change. A key emphasis in the second phase of the research was to explicitly investigate new practices in curriculum and instruction.

The primary purpose of assessing these reforms was to investigate how their implementation is linked to the use of school-based management as a form of school governance. We wanted to identify more precisely the conditions that facilitate or inhibit SBM schools' utilization of their increased authority to implement major curriculum and instructional innovations in the four areas described above. We built on the findings from our earlier research; however, rather than adopting an exploratory stance as in the previous phase, this second phase entailed a closer examination of specific features associated with each of these factors. The factors we focused on again include the four elements of the high-involvement model -- power, knowledge and skills, information, and rewards -- as well as the existence of an instructional guidance system and the leadership role enacted at the school. In addition, we included an assessment of the importance of outside resources as a factor influencing the reform process at a school.

Generally speaking, we hypothesized that schools are more likely to implement reforms in curriculum and instruction to the extent that supporting conditions associated with seven factors are present. In particular, the possibility for meaningful reforms consistent with the four innovations discussed above is enhanced when:

1) the school has significant influence over key decision areas and a greater range of stakeholders are actively involved in the decision-making process;

2) more individuals participate with greater frequency in a broad range of professional development activities oriented toward building school-wide capacity for improvement;

3) a broad range of relevant information is disseminated both internally and externally and the school acquires information regarding stakeholder satisfaction;

4) individual and school evaluation is based on performance in terms of goals or outcomes and rewards and/or sanctions are tied to performance;

5) there is agreement among staff regarding the instructional direction of the school, which is guided by a state or district framework and/or a school vision or mission;

6) the principal insures widespread involvement, shares information broadly, and takes on more of a managerial role, and a broader range of leaders emerges at the school;

7) the school has increased its resource base through the acquisition of outside funding and/or partnerships with the community.

These various factors together serve as an interconnected set of conditions that provide a systemic design in which innovation is more likely to occur. They are interconnected in the sense that they support and reinforce each other toward the objective of developing a learning community at the school that facilitates the process through which new practices can be identified, introduced, and institutionalized. This notion is consistent with literature from the field of organizational change, which points out the need to achieve congruency among a variety of system characteristics in order to generate desired practices and outcomes (e.g., Beer, 1980; Mohrman, Mohrman, & Ledford, 1991; Nadler & Tushman, 1977; Porras & Robertson, 1992). Therefore, our basic hypothesis was that the extent to which reforms are introduced at a school will be positively related to the number of these supporting conditions that are in place at the school.[20]

While our primary emphasis was on the set of supporting conditions as a whole, we also tentatively explored the existence of specific linkages between individual factors and particular types of reforms. A number of such relationships might be expected. For example, mechanisms for generating interaction among staff and for making decisions across internal boundaries should facilitate the use of team teaching and the development of interdisciplinary curricula. The acquisition of external sources of funding may be necessary to invest in the technology required to teach students how to effectively use these tools, and teachers may need professional development to prepare them to teach these skills. Accurate information regarding student performance will enable teachers to develop more effective individualized instruction so as to better meet the educational needs of all students. External integration with the community to enhance the educational process will depend on the establishment of appropriate mechanisms for communicating with these constituents. While certainly not a comprehensive list, these examples point to how particular factors identified above can increase the likelihood that schools will be able to generate desirable curriculum and instructional changes.

To summarize, then, this study focused on the relationships between a set of factors previously found to be related to effective use of school-based management as a governance mechanism and four general types of curriculum and instructional reform. Data from a set of schools that have been successfully using SBM for a number of years were analyzed to assess the extent to which these elements serve as supporting conditions to facilitate the implementation of meaningful reforms in these areas. The methods used to collect and analyze the data are described next.

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[20] On one hand, this hypothesis is not explicitly intended to refer to other types of reforms beyond those comprising these four categories. However, there is a considerable range of innovations included in these categories, such that it is possible that these supporting conditions would facilitate the design and implementation of other types of innovations as well. Furthermore, the fact that the high-involvement model has been found to support innovative activity in a variety of private sector organizations lends further credibility to the possibility that the hypothesized relationship is in fact generalizable.

Methodology

Sample and Data Collection

The sample for this study consisted of seventeen schools from eight locations. Seven of these are districts in the U.S., including: Bellevue, Washington; Chicago, Illinois; Denver, Colorado; Jefferson County, Kentucky; Milwaukee, Wisconsin; Rochester, New York; and Sweetwater, California. One high school and one elementary school were included from each of these districts except for Sweetwater, which is a high school district. The eighth location was Victoria, Australia, from which two high schools and two elementary schools were included. These venues were selected because of their reputation for having strong school-based management plans, including significant decision making authority at the school level. Phone calls were made to district officials to verify the strength of their decentralization plans. The specific schools studied in each site were selected based on information provided by district officials and/or researchers familiar with the site that significant curriculum and/or instructional reforms were underway at these schools. The intent was to include exemplary schools in the sample so as to enhance the likelihood that such reforms would in fact be found.

Prior to beginning data collection, all members of the research team attended a two-day training session. Two members of this team visited each school for two days, during which data were collected through structured interviews. Interviews focusing on school-based management and school innovations in curriculum and instruction were held with administrators, teachers, community members, and (at high schools) students. Included in the set of interviewees were members of the governance council and other participative structures, department heads, the union representative, teachers who have been actively involved in the design, adoption, and/or use of innovative practices, and teachers who have not been involved in the innovations at the school. The number of interviews conducted at the schools ranged from 13 to 24, with an average of 18. Interviews typically lasted forty-five minutes to an hour.

Variables, Data Coding, and Analysis

The study examined seven organizational variables and four areas of innovation to see how they were related. The seven supporting organizational conditions are power, knowledge, information, rewards, instructional guidance, leadership, and resources. The innovation areas are teaching for understanding, use of technology, educating all students, and integrated approaches. For each of these variables, a relevant set of questions was determined, along with potential categorical responses to these questions. These are identified in Appendix A. The questions are based on findings from the first, exploratory phase of the study. They address aspects of each domain that seemed, based on the qualitative analyses in phase one, to make a difference in whether the school was employing SBM to introduce changes in instruction and learning. For example, the power variable included questions about areas of influence, involvement of various stakeholders, and numbers and kinds of forums in which decisions are made. The resources variable included access to external grants and extension of resources by creating partnerships with community and business groups.

To code the variables, a qualitative data base consisting of the responses of all the interviewees at each school to each question was constructed. A coding scheme was then developed with which to code the seven supporting conditions and four types of innovations. For each school, two coders read the full set of interview responses and then assigned a rating for each question. One member of the research team coded all seventeen schools, while "second coder" duties were divided among five additional members of the research team. When possible, each pair of coders included at least one person who had gone on the site visit to that school.

Prior to coding, all coders participated in a workshop in which the research team members provided descriptions of the schools they had visited, including an overview of the SBM governance mechanism and the nature of the reforms taking place. This workshop reinforced the earlier training session and enabled coders to develop a common understanding of the variables being assessed in this study as well as the range of differences on these variables exhibited among the seventeen schools in the sample. A shared understanding of the variables provided guidance to the coders regarding the type of information that was relevant to answer the coding questions. Familiarity with the range of characteristics within the sample was necessary to enable coders to use a similar frame of reference for assessing each individual school. This is because they were asked to answer the coding questions relative to the schools in this sample only rather than relative to the full spectrum of schools in general.[21]

After the coding process was completed, points were allocated to the responses for each question (e.g., zero points for "low," one point for "medium," and two points for "high"). For each school, a score for each variable (for each coder) was calculated as the sum of the points for the responses to the relevant questions.[22] To assess the level of "interrater reliability," Spearman rank correlation coefficients between the two sets of scores for each variable were calculated.[23] These correlations are as follows: power -- .80; knowledge -- .85; information -- .65; rewards -- .32; instructional guidance -- .56; leadership -- .73; resources -- .65; teaching for understanding -- .89; use of technology -- .78;

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[21] In other words, rating a school "low" in terms of the amount of influence it has on decisions related to curriculum and instruction, for example, means that it is actually low compared to the schools in this sample. Such a school could still have considerably more influence on these decisions than most schools, especially those not operating under school-based management.

[22] For example, if a coder rated all four questions associated with the Teaching for Understanding variable as "considerable," which is worth two points, the score for that variable would be eight.

[23] To calculate these correlations, the scores from the each coder were rank ordered and these ranks were then correlated with each other. Rank order correlations were used rather than normal correlations since our primary analysis, as indicated below, is not based on the specific variable scores themselves but instead is based on a distinction between relatively high and low scores. In fact, the process of calculating variable scores was not originally intended to provide a precise measure of these variables, but simply was intended as a means by which to identify those schools that were high and those that were low on each variable. Therefore, it was more important that coders agree on the relative ranking of the schools than on the actual scores.

educating all students -- .64; and integrated approaches -- .48. While most of these are adequate, the correlations for instructional guidance and integrated approaches are marginal and the correlation for rewards is poor.[24] While we decided not to drop any of these three from the analysis, results for these variables should be interpreted with caution.

We did not necessarily expect these measures to have high internal consistency, because the dimensions comprising them can vary independently. For example, on the resources variable, schools can obtain outside grants but not community partnerships. Instead, we conceptualized these variables systemically; i.e., in systems there are different routes to the same outcome (e.g., Beer, 1980). Thus, our primary interest was in whether the total presence of multiple aspects of each variable makes a difference in the school's innovation adoption activity. This is also consistent with earlier exploration of the impact of high involvement, where scales examining the impact of power, information, knowledge and skills, and rewards were comprised of the sum of a number of practices and the extent of employee involvement in each (e.g., Lawler, Mohrman, & Ledford, 1992). This approach does not deny that some dimensions may be more important than others. Given the size of our sample, we cannot explore those dimensions with great confidence, but we present observations on the patterns that we can detect.

To analyze the data, the scores from the two coders for each school were averaged to generate a single index for each of the variables. Since the primary hypothesis of this study was that more curriculum and instructional reforms will take place when more of the supporting conditions are present, an analytical technique was needed that would examine the patterns of findings across all variables simultaneously. Since the small sample size limited the feasibility of using more sophisticated statistical analyses (e.g., regression), an informal pattern analysis was utilized to evaluate these patterns. For this analysis, variable indices were dichotomized into "high" and "low" scores. This was done simply by determining whether the score for a variable at a particular school was above or below the mean of the distribution of the scores for that variable.[25] Patterns reflecting high and low levels of these supporting conditions and reforms were examined to assess support for the basic hypothesis underlying this research.[26]

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[24] The low correlation for rewards is largely due to the discrepancy in the ratings of three schools by two coders. In the absence of much information in the interview response data, one coder rated each of these schools very low on this variable. In contrast, the second coder, who had visited the schools as part of the research team and thus had greater familiarity with them, coded the variable considerably higher. (This was the only variable, and the only schools, for which obvious and consistent discrepancies existed between the two coders scores.) In addition, the amount of variation in the scores for the rewards variable, and also the instructional guidance variable, is somewhat limited, which may have contributed to the lower correlations for these variables.

[25] For example, the scores for the Knowledge variable ranged from a minimum of 1.5 to a maximum of 5.5, with an average of 3.5. If the score for School A were above the mean, it would be coded as "high;" if it were at the mean or below, it would be coded as "low."

[26] An important question has to do with the validity of the measures we use in the analysis. In other words, to what extent can we be confident that a school really has in place the level of the supporting conditions or reforms indicated by our measures? One particular concern could be that the total amount of reform taking place at these schools is underestimated since we limit our focus to only four categories of innovations. However, there is reason

Results

Table 2 presents information pertaining to the dichotomous coding of variables into "high" and "low" categories.[27] A cell in this table contains an asterisk if that variable was coded high for that school. To facilitate analysis of the patterns among the variables, the schools are arrayed in descending order of the number of categories of high levels of curriculum and instructional reform. Eight of the schools exhibited high levels of innovation in three or four categories, and eight schools had significant reforms in one or zero categories. With only a single school demonstrating considerable reform in two categories, our analysis suggests that schools are either very successful at generating extensive, broad-based changes in the processes of teaching and learning, or they have more difficulty in doing so. Mixed levels of innovation in different categories appears to be a rather infrequent outcome.

Looking at patterns in the relationships between supporting conditions and reform outcomes, the data as a whole provide considerable support for the basic hypothesis of the study. Generally speaking, schools that have implemented greater amounts of innovative practices also tend to have a greater number of the support factors in place. In particular, of the nine schools that implemented significant changes in two or more categories, eight of them also had in place high levels of at least four of the supporting conditions. Furthermore, of the eight schools that exhibited relatively limited amounts of reform, i.e., in one category at best, seven were characterized as having a high level of three or fewer supporting conditions (and in fact, six had zero or one). Thus, it certainly appears that extensive innovation regarding curriculum and instruction only takes place when a majority of these key supporting conditions are high. When they are lower, the schools in our sample have been much more constrained in their ability to generate meaningful reforms.

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to believe that this is not a problem. In the first phase of our research, responses to open-ended questions regarding the types of reforms being implemented at the schools fit primarily into these four categories, indicating that these were the most popular innovations taking place. Although we targeted interview questions about these reforms in the second phase of the research, we also asked open-ended questions about other types of reforms being implemented. As these yielded very little additional information, it is valid to conclude that there was not a significant amount of other kinds of reform taking place.

More generally, we have reasonable confidence in the validity of our measures for a number of reasons. First, they are based on information that came from a wide variety of sources at each school, some of whom were uninvolved in the reforms being addressed and thus had no incentive to exaggerate the extent of the reforms. Second, the fact that we found variation across the schools in our sample on most of the variables suggests that there was no widespread social desirability bias at work that led all respondents to be overly optimistic about the level of the supporting conditions or reforms. Finally, the nature of our measures -- dichotomous ratings of the relative level of any particular variable -- are sufficiently broad that we are quite confident that the schools rated high on a particular variable do in fact have a higher level of that variable than the schools rated low.

[27] It is important to reiterate that these ratings are relative within a successful population of schools. Our sample included schools that were exemplary within the districts we studied, and the districts we studied were selected because of their success with the implementation of school-based management.

Table 2

High and Low Levels of Supporting Conditions and Reform Outcomes

	Power	Knowledge	Information	Rewards	Instructional Guidance	Leadership	Resources	Teaching for Understanding	Use of Technology	Educating All Students	Integrated Approaches
School 1	*	*	*	*	*	*	*	*	*	*	*
School 2		*	*	*	*	*	*	*	*	*	*
School 3	*		*		*		*	*	*	*	*
School 4	*	*		*		*		*	*	*	*
School 5	*		*	*	*	*		*	*	*	
School 6	*		*	*	*	*		*		*	*
School 7	*				*	*	*	*	*		*
School 8		*						*		*	*
School 9	*	*	*		*			*		*	
School 10		*		*			*		*		
School 11							*		*		
School 12							*		*		
School 13							*			*	
School 14	*		*	*	*	*					
School 15							*				
School 16											
School 17											

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Another cut at the data serves to examine the potential importance of the individual support mechanisms, and also provides further evidence of the extent to which they serve as an interconnected set of factors supporting innovation. Table 3 indicates the frequency with which high levels of the supporting conditions are found in the high and low innovator schools. Considering first the nine schools with high levels of change in two or more outcome categories, two support variables scored high in seven of them, namely, power and instructional guidance. Clearly, if school-based management is to serve as a means through which schools will introduce important changes in how they operate, they must be given enough power to implement the kinds of changes seen as appropriate for their student community. Equally important, however, is the focus and impetus regarding the reform process that schools derive from a shared understanding -- rooted in curriculum frameworks, learning objectives, school visions or philosophies, etc. -- of the instructional direction of the school. Without such a common basis for reform, innovations are disjointed at best or not even attempted at worst.

Table 3
Frequency of Occurrence of High Levels of Supporting Conditions

Nine High Innovator Schools	Eight Low Innovator Schools
Power - 7	Power - 1
Knowledge - 5	Knowledge - 1
Information - 6	Information - 1
Rewards - 5	Rewards - 2
Instructional Guidance - 7	Instructional Guidance - 1
Leadership - 6	Leadership - 1
Resources - 4	Resources - 5

Information and leadership scored high in six of the schools with two or more categories of significant reform. These two variables, along with instructional guidance, seem to be key factors facilitating a high level of reform after power has been decentralized. Undoubtedly, these three elements are to some extent interrelated. For example, an important task of leadership is to share information broadly with the school's constituents; information regarding the school's goals and performance is necessary to develop a shared understanding of its instructional direction; and this common vision enables a broader range of individuals to assume leadership roles in the reform process. Hence, while sufficient power may provide schools with the autonomy needed to make desired changes, these additional three elements may constitute the foundation on which school participants can successfully base their efforts to implement these reforms. Without these supporting conditions in place, innovation is likely to be much more difficult to come by. This pattern is clear in our data, as the scores for all of these variables were low in all but one (School 14) of the low innovator schools (see Table 2).

High levels of knowledge and rewards were found in five of the highly innovative schools, in contrast to one and two, respectively, of the lower innovators. Interestingly, knowledge was the only high supporting condition in one of the schools that was a high innovator in three areas. As for rewards, the seventeen schools in our sample were rather limited regarding the extent to which performance was rewarded either formally or informally and the presence of viable accountability mechanisms. Even the schools that were coded high on the reward variable had usually not made great strides in developing a reward system that effectively based consequences on performance at either the individual or the school level. On one hand, the fact that even the use of relatively limited reward approaches shows up in five of the high innovators and only two of the lower innovators suggests that, if applied more extensively, rewards might motivate even more innovation. On the other hand, some schools appear to be willing and able to move forward with their reforms in the absence of a reward system tied to these efforts. To some extent, this may be because educators are by and large used to working without extrinsic rewards. However, many participants in the study indicated that the opportunity to be involved in school decision making and influence the direction of the school improvement process serves as its own reward. Thus, the development of a high-involvement system can intrinsically motivate people to invest the time and energy needed to improve curriculum and instruction, and it might also help leverage the effects of even low levels of extrinsic rewards. These interactive effects provide further evidence of the interconnectedness of these supporting conditions and their ability to reinforce each other in the reform process.

Finally, over half of the schools that were most successful in implementing curriculum and instructional changes did not have high levels of additional resources (i.e., beyond their basic budget allocation and standard entitlement moneys). Thus, it appears that such resources are not a key requirement for meaningful reform to take place. The importance of resources can be further assessed by looking at the pattern of findings among the eight schools that implemented fewer curriculum and instructional changes. Interestingly, five of these schools were coded as having high levels of resources, suggesting that the acquisition of external funding or other sources of material support does not by itself spur reform activity. Perhaps more important to reform than extra resources is organizational effectiveness in applying existing resources. This is undoubtedly enhanced by high levels of some of the other six conditions. Thus, in the four high innovator schools with a high level of resources, high levels of at least three other variables were also present (see Table 2). In contrast, in four of the five low innovator schools with a high level of resources, this was the only supporting condition present, with the fifth school demonstrating a high level of only two other variables. This pattern reinforces the conclusion that the other variables provide valuable support for the reform process, enabling the schools to benefit more from the additional resources they have acquired.

To summarize, all of these conditions, with the possible exception of resources, appear to be instrumental in facilitating innovations, as each was found relatively frequently among schools that had implemented many changes and not very often in schools where changes had been more limited. This makes it difficult to separate out any one or two factors as being the most critical, and supports the notion that these conditions constitute an interrelated set of system design features that support and reinforce each other in the process of introducing new and innovative practices. This is consistent with findings that organizational designs where employees are involved in performance improvement consist of a system of mutually reinforcing features (e.g., Lawler et al., 1992).

In contrast, even the hard work invested in generating changes in curriculum and instruction is likely to be limited in its impact in the absence of adequate systemic support. Among the schools in our sample, it was not uncommon for many individual teachers to have identified new practices and initiated use of them in their classrooms. However, those leading the reform process -- usually administrators and/or a governance council -- often failed to put into place mechanisms that would, for example, enable teachers to learn from each other, provide incentives for teachers to adopt new practices, or insure that individual innovations were part of a broader, well-defined strategy regarding the instructional direction of the school. Without a system designed to focus the reform effort and facilitate the diffusion of innovations school-wide, new practices frequently remained the sole purview of the teachers who had introduced them.

The data also suggest that a school does not necessarily require *all* of these conditions to be in place in order to be highly innovative. In fact, it appears that the potential for generating meaningful reform is quite high as long as the school is characterized by high levels of four or more of these elements. In any event, merely decentralizing power from the district to the school is not sufficient to insure that school-level reform will take place. This is the basic premise of the high-involvement model (Lawler, 1986) on which our research has been based, and our findings add further support to the validity of this model. Of course, we do not intend to imply that the four elements of that model, along with the three additional support mechanisms we examined, constitute an exhaustive set of system features that might be relevant to support school reform. However, since our data suggest that these seven can play an important role in successful implementation of significant reforms, it is worth considering each of them in greater detail, based on the experiences of the exemplary schools comprising our sample. In the discussion below, we focus particularly on the role the separate dimensions of each variable play in explaining how they support the innovation process.

Power. Two dimensions underlying the power variable are the extent to which decision making authority is decentralized to the school level and the extent to which a broad range of school-level constituents -- administrators, teachers, parents, community members, and students -- are in turn empowered for meaningful involvement in the decision making process. Both of these dimensions are important in differentiating high from low innovator schools. Regarding the amount of authority decentralized, the schools in our sample typically[28] faced some significant constraints in terms of their authority regarding personnel and budget decisions. In the area of curriculum and instruction, the high innovator schools felt considerable power and responsibility for determining how to deliver the curriculum. However, they also tended to be operating in the context of district or state curriculum guidance, indicating that some overall direction from the larger system was helpful in stimulating change.

As for the empowerment of school constituents, high innovator schools tended to have much higher levels of constituent involvement, in part by utilizing a variety of different decision making. Many of these groups were designed to facilitate interaction across the typical internal boundaries of departments and grade levels. Typical structures included governance council subcommittees that were open to membership by interested teachers or parents, and teacher teams that were actively included in the consensus-building process for school decisions. High school departments often played this role, but schools whose governance councils included staff members serving as representatives of their departments were usually less effective at promoting reform than councils using an alternative structure. Given a tendency for departments to "protect their turf" and thus resist changes they believe will impact their domain, governance structures that cut across traditional departmental boundaries are more supportive of the reform process. The most effective governance councils were those that served largely to coordinate and integrate the activities of the various decision making groups operating throughout the school. These councils provided the direction for the changes taking place and allocated resources to support them, focusing on the needs of the school as a whole rather than on the needs of individual academic departments or teaching teams. But the design and implementation of these changes resulted from the widespread involvement of most teachers and a number of active parents on multiple teams and/or subcommittees.

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[28] Throughout this discussion, the generalizations we make do not necessarily apply to all schools in the sample. However, they do reflect the general trends we observed among these schools.

Knowledge. All of the schools in our sample used professional development activities to enhance staff knowledge and skills. Furthermore, high and low innovator schools did not consistently differ in terms of two dimensions of this variable, namely, the range of content areas covered in development opportunities or the extent to which professional development was strategically tied to the school's reform objectives. However, a greater proportion of the staff took part in development opportunities at high innovator schools. For example, training regarding decision making skills often was not limited to members of the school's governance council. Instead, many of these schools assessed their development needs and then planned and coordinated development activities to meet these needs through inclusion of a wide range of staff and sometimes even parents. In addition, staff at these schools participated in development opportunities on a more regular, ongoing basis, rather than only sporadically and infrequently (e.g., when school-based management was initiated). In key ways, then, the highly innovative schools focused their efforts to enhance staff knowledge and skills so as to support the initiation and implementation of reform activities.

Information. The high innovator schools typically did a better job of sharing school-related information among a broad range of constituents. This was true for both the internal and external dimensions, and oftentimes resulted from using more communication mechanisms. The low innovators often relied primarily on the distribution of council meeting minutes and school newsletters to disseminate information. Yet constituents at these schools sometimes indicated that they were not well-informed because they did not receive or read these documents, suggesting that simply distributing information is not sufficient. The high innovator schools, in contrast, took a more proactive approach to making sure that information was transmitted, relying as much on face-to-face means as on formal documents. The existence of multiple decision making groups at these schools facilitated this process, as these groups provided a useful conduit through which information could get out to all staff members. In addition, more *kinds* of information were regularly disseminated in high innovator schools, including information about innovation in other schools and about school performance. Finally, there was also more extensive solicitation of external input at the high innovator schools. The principals in these schools usually attended many different types of meetings at which external constituents were present, to discuss school activities and get their feedback.

Rewards. The high and low innovator schools differed to some extent on the reward variable, and by and large this difference appears to be tied to a single dimension. The evaluation of these schools tended to be based on performance more than at the low innovators. The same was not true for evaluation of teachers and administrators. As indicated earlier, reward systems that effectively tied consequences to performance were infrequently utilized in the schools in our sample, and this seems to be true for most schools, at least those in the U.S. Finally, no differences were apparent in the two groups of schools regarding the extent to which informal rewards were utilized. All in all, more effective use of evaluation and reward systems is a key area in which schools could improve.

Instructional Guidance System. Most of the schools in our sample operated according to a set of curricular guidelines developed at the district, state, and/or national (e.g., National Council of Teachers of Mathematics standards) level. Yet they had considerable leeway regarding the specifics of the curriculum they provided to their students and regarding the instructional approaches and materials they used. Many said that the frameworks specified the "what" of the curriculum but that the "how" was up to them. Most of the schools also indicated there was some form of school vision or other locally-developed statement that outlined the school's values and/or objectives. However, for the low innovator schools, it appeared that this vision was little more than a document that had been written and then filed away, as it did not have much influence on the activities of staff members. It often did not embody a shared instructional philosophy. These schools tended not to exhibit much shared understanding of or agreement with the instructional direction of the school.

The scenario was quite different in the schools with many innovations, where constituents were more familiar with the vision and saw it as an important and meaningful articulation of what the school was all about. For some of these schools, development of the vision was based on input from all constituents and emerged through a consensus-building process that naturally led to better understanding of the vision and commitment to it. Some schools had created some form of improvement plan that outlined the instructional direction for the school, which then served as a focus for the reform activities they initiated. In some cases, consensus regarding the instructional direction was achieved simply through frequent interaction regarding curriculum and instruction issues.

Leadership. The leadership variable was composed of three dimensions, and all of them help to differentiate the highly innovative schools from those with less innovation. The dimension which demonstrated the greatest difference between these two groups was the extent to which the principal facilitated participation in decision making. Principals at the high innovators were much more likely to promote widespread involvement and share information broadly. Second, the principals at these schools tended to take on more of a facilitator role. In addition to making sure all constituents were involved, they were often seen as very supportive of staff, were more readily described as a manager than as a leader, and focused on managing the decision making process. As a result, they had to effectively manage the relationships between individuals and groups, mediating among divergent interests and helping to resolve conflicts. In playing this role, they also had to strike a balance between, on one hand, exerting their opinions and desires too strongly and thus dominating school decisions, and on the other, being too uninvolved in the content of the decision. Principals at low innovator schools often erred on one side or the other, thus being perceived as either too autocratic or too laissez faire.

Finally, principals at the high innovator schools were more likely to develop and share leadership among a broad range of individuals throughout the school. While some principals in our sample took the lead in introducing ideas about new practices, in many cases teachers were the primary source of these new ideas. Teachers at schools on the leading edge of reform were more empowered to also take the lead in getting these innovations diffused throughout the school. As more and more staff members contributed to this process, a key role of the principal was to build a system that would support and coordinate the ongoing change process. Unfortunately, the use of these new practices tended to be limited at the low innovation schools to the teacher(s) who had introduced them into the school.

Resources. As suggested above, the acquisition of high levels of additional resources at the school does not appear to be necessary to implement meaningful reform, nor does it seem to ensure that such reform will take place. This was true of both kinds of resources included in this variable, namely, outside funding and partnerships with the community. Of course, this is not to say that such resources are not beneficial, and it makes sense for schools to be proactive in their efforts to acquire external funding and to develop relationships with the business community that will pay off in terms of resources available to the school. However, additional resources appear to have the most impact if applied in the context of a clear instructional direction. For example, the schools that best used their resources to facilitate the reform process were those that maximized the benefits by targeting their use to projects that were directly related to the school vision and reform objectives. Also, the process of change was facilitated when schools acquired and/or applied resources to enhance the process of staff development in areas that were most critical to support the school's reform effort.

Conclusion

In conclusion, the data provide considerable evidence that the set of supporting conditions assessed in this study plays a key role in facilitating the implementation of significant reforms in four aspects of curriculum and instruction at the schools in our sample. When considerable change took place in two or more of these categories, it appears to have been facilitated by high levels of at least half of these supporting conditions. When minimal reform was found, most of the supporting conditions were at lower levels.

However, it is important to note that we are not claiming, and the data do not allow the conclusion, that there is a direct causal relationship between these supporting conditions and the reforms we examined. In fact, findings from two "outlier" schools in our sample suggest that these conditions are neither necessary nor sufficient to generate a significant number of innovations. The possibility that they are not necessary is exemplified by School 8 (see Table 2), which had produced high levels of reforms in three of the four categories even though the only support mechanism at this school was a high level of knowledge and skill development. It was clear that a wide variety of reforms had been implemented in this school, but these changes were quite varied and not well integrated since focus was not being provided through a coherent instructional guidance system (i.e., a "Christmas tree" school). Not a lot of power had actually been delegated to the school. Instead, they had to receive waivers to accomplish most of the changes they were implementing, or had made these changes unilaterally. The staff was feeling burned out from their reform efforts because the organizational system needed to support innovation was not in place.

In contrast to the above case, School 14 demonstrated a high level of five supporting conditions and yet had not generated significant innovations in any of the four categories.[29] This would suggest that having a number of support mechanisms in place is not a sufficient condition for insuring that innovative practices can or will be implemented. Considerable decision making power had been decentralized to this school, which also had a well-developed team structure that facilitated information flow at the school and provided opportunities for a large number of staff members to take on leadership responsibility. However, the principal had only been at this school for a year, and prior to his arrival the team structure, including the school council, had not been very active in school decision making. During the last year, a charter had been developed at the school to outline the instructional direction for the school, but it had not yet had any impact on curriculum and instructional innovations. Whether it eventually will remains to be seen, but the best explanation for the discrepancy between the presence of numerous supporting conditions and the absence of reforms may be an insufficient amount of time for school-level decision making to have generated such reforms.

This research makes important contributions to the scholarly literature on school-based management and educational reform more generally. Empirical research on the process and outcomes of school reform through school-based management remains rather limited. In particular, the field has been in need of research on the linkages between school governance structures, the nature and quality of decisions made at the school, and the degree of success in implementing those decisions (Swanson, 1989). Our analysis yields a valuable addition to the extant data base in this area. Furthermore, as it is grounded in theoretical foundations as well as on the findings of prior research, this study contributes to the theory base which can serve to guide further research on this topic. Likewise, our findings suggest a number of different avenues for future research:

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[29] The comparison of School 14 to School 6 is interesting, since the latter also had the same five supporting conditions in place but adopted high levels of reform in three categories.

- More in-depth analyses of the role of the specific supporting conditions. What types of changes in reward systems will most effectively encourage reform? What types of professional development are most critical and how much is needed? Which approaches to leadership are most conducive to implementing these reforms? What kinds of information/feedback systems will stimulate organizational improvement?

- Analyses of the interactive effects of the supporting conditions. Which combination of supporting conditions is most efficacious for supporting reform efforts? Under what conditions are additional resources an important trigger for innovation?

- Examination of additional factors that affect the school's ability to implement innovations in curriculum and instruction. To what extent does the size of the school moderate the outcomes of reform efforts? How do reform efforts differ between elementary schools and secondary schools? How do overall per pupil resources affect innovation adoption?

- Research on the dynamics of the change process through which school reform takes place. What are the causal relationships between changes in curriculum and instruction and improvements in student learning? In what ways does the timing of various system changes affect the reform outcomes obtained?

- Exploration of the role of the external environment. Which aspects of the environment facilitate or inhibit the reform process? How does a school's environment shape the pattern of supporting conditions it is able to develop? Are there interactive effects among environmental factors, supporting conditions, and innovations implemented?

Answers to questions such as these would improve considerably our understanding of how to generate meaningful curriculum and instructional reform through school-based management.

To conclude, this research makes an important contribution to an understanding of the potential efficacy of school-based management for implementing curriculum and instructional innovations explicitly oriented toward improving teaching and learning. By examining the conditions under which this new form of governance can be utilized to generate school improvement, the findings from this study are valuable to educators, policy makers, and researchers. The insights gained can be used by school-level educators to guide their decisions regarding the development of mechanisms to facilitate the reform process underway at their schools. Likewise, through a better understanding of the dynamics of reform at the school level, district administrators can learn how to more effectively support schools' efforts to function as SBM schools and to introduce and maintain the curriculum and instructional changes they desire. Policy makers at the local and even the state level can utilize the information gained from this study as they make decisions regarding, for example, curriculum frameworks and resource allocation. Researchers can design future studies to explore important issues surfaced by these findings so as gain further valuable insights into the process of school-reform through school-based management.

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Appendix A
Variable Coding Questions and Possible Responses

Power

1a. How much influence does the school have on decisions related to curriculum and instruction? (low; medium; high)
1b. How much influence does the school have on decisions related to personnel? (low; medium; high)
1c. How much influence does the school have on decisions related to budget? (low; medium; high)
2a. How active are the teachers in decision making forums? (marginal or nominal activity; mixed level of activity; active across the full range of school decisions)
2b. How active are members of the community in decision making forums? (marginal or nominal activity; mixed level of activity; active across the full range of school decisions)
2c. How active are the students in decision making forums? (marginal or nominal activity; mixed level of activity; active across the full range of school decisions)
3. How many teachers are involved in decision making groups? (limited; some; almost all)
4a. How many mechanisms exist for involving people in decision making? (governance council; council subcommittees; other governance groups; other advisory groups; grade or subject teams)
4b. Is there a separate decision making group for curriculum and instruction issues? (no; yes)

Knowledge

1. What proportion of the staff participate in professional development activities? (some; most/all)
2. In what knowledge and skill domains do staff receive professional development? (teaching and instruction; participative; functional/managerial; use of technology)
3. Are professional development activities purposely planned to build school-wide capacity for organizational improvement? (no; yes)
4. How regularly do staff participate in professional development activity? (sporadically; on an ongoing or continuous basis)

Information

1a. To what extent is information about goals regularly disseminated internally? (low; high)
1b. To what extent is information about school performance regularly disseminated internally? (low; high)
1c. To what extent is information about school/SBM activities regularly disseminated internally? (low; high)
1d. To what extent is information about research/innovations taking place elsewhere regularly disseminated internally? (low; high)
2a. To what extent is information about goals regularly disseminated externally? (low; high)

2b. To what extent is information about school performance regularly disseminated externally? (low; high)
2c. To what extent is information about school/SBM activities regularly disseminated externally? (low; high)
2d. To what extent is information about research/innovations taking place elsewhere regularly disseminated externally? (low; high)
3a. How often are staff surveyed for input to guide school decisions? (never; once a year or less; more than once a year)
3b. How often are community members and/or students surveyed for input to guide school decisions? (never; once a year or less; more than once a year)

Rewards

1. Is the teacher evaluation system based on performance in terms of goals and/or outcomes? (no; yes)
2. Is the school evaluation system based on performance in terms of goals and/or outcomes? (no; yes)
3. Are there any formal systems for tying rewards or sanctions at the school to performance? (no; yes)
4. To what extent are informal rewards used at the school? (low; medium; high)

Instructional Guidance System

1. Is there a district or state curriculum framework? (no; yes)
2. Is there a school vision delineating its specific mission, values, and goals? (no; yes)
3. To what extent is there shared understanding among teachers about the instructional direction of the school? (low; medium; high)

Leadership

1a. As part of his/her role, does the principal focus on managing the change process? (no; yes)
1b. As part of his/her role, does the principal focus on building the school climate? (no; yes)
1c. As part of his/her role, does the principal focus on optimizing the availability of resources (i.e., finding ways to get them and/or reallocate them)? (no; yes)
1d. As part of his/her role, does the principal focus on managing the interface with the community? (no; yes)
1e. As part of his/her role, does the principal focus on bringing in information regarding educational research and innovative practices? (no; yes)
2. Is the principal viewed as a leader in the area of curriculum and instruction? (no; yes)
3a. To what extent does the principal promote widespread involvement in school decisions? (low; medium; high)
3b. To what extent does the principal share information broadly? (low; medium; high)
4a. How many individuals besides the principal/assistant principal have taken on

instructional leadership at the school? (none; a few; many)
4b. How many individuals besides the principal/assistant principal have taken on general leadership at the school? (none; a few; many)

Resources

1. How much outside grant funding (i.e., other than entitlement funds such as Chapter 1 money) with which to implement innovations has the school received? (almost none; some; a lot)
2. How many partnerships has the school developed with the business community that provide resources for the school? (almost none; some; a lot)

Teaching for Understanding

1. To what extent has curriculum and instruction been changed to focus on problem solving and creating instead of simply reproducing knowledge? (very little; moderate amount and/or still in transition; considerable)
2. To what extent have new instructional approaches been adopted that are oriented towards active learning? (very little; moderate amount and/or still in transition; considerable)
3. To what extent have methods of "authentic assessment" been adopted, i.e., those based on samples of work that illustrate understanding and application rather than memorization and reproduction? (very little; moderate amount and/or still in transition; considerable)
4. To what extent have new instructional approaches been adopted that are towards cooperative learning? (very little; moderate amount and/or still in transition; considerable)

Use of Technology

1. How much technology has been made available at the school for students to use for educational purposes? (a little; a lot)
2. To what extent have teachers and students incorporated the use of technology into their teaching and learning? (very little; moderate amount and/or still in transition; considerable)
3. To what extent has the curriculum been changed to include a focus on technology and its use? (very little; moderate amount and/or still in transition; considerable)

Educating All Students

1. How many multi-graded (elementary school) or untracked (high school) classrooms has the school implemented? (none; some; all)
2. To what extent has curriculum and instruction been changed to include a specific focus on bottom-half or at-risk students? (very little; moderate amount and/or still in transition; considerable)
3. To what extent has individualized instruction been adopted at the school? (very little; moderate amount and/or still in transition; considerable)
4. To what extent has curriculum and instruction been changed to include an emphasis on multi-culturalism? (very little; moderate amount and/or still in transition; considerable)

Integrated Approaches

1. To what extent has the school adopted the use of team teaching, i.e., teams of teachers taking responsibility for a larger portion of the learning of a defined group of students? (very little; moderate amount and/or still in transition; considerable)
2. To what extent has the curriculum been changed to be more interdisciplinary in nature? (very little; moderate amount and/or still in transition; considerable)
3. To what extent has the school developed linkages with the community that provide educational opportunities for students? (very little; some; considerable)
4. To what extent has the school developed linkages with the community for the provision of other relevant services? (very little; some; considerable)

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Wohlstetter, P. (1995). Getting school-based management right: What works and what doesn't. Phi Delta Kappan, 77, 22-24, 26.
In this paper, the knowledge we have gained about the do's and don'ts of school-based management are presented. School-based management fails because: (1) SBM is adopted as an end in itself; (2) principals work from their own agenda; (3) decision-making power is centered in a single council; and (4) business as usual. Several strategies for success are presented: (1) establish multiple, teacher-led decision-making teams; (2) focus on continuous improvement; (3) create a well-developed system for sharing school-related information; (4) develop ways to more effectively reward staff behavior; (5) select principals who can facilitate and manage change; and (6) use district, state and/or national guidelines to focus reform efforts and to target changes in curriculum and instruction.

Robertson, P., Wohlstetter, P. & Mohrman, S.A. (1995). Generating curriculum and instructional changes through school-based management. Educational Administration Quarterly, 31, 375-404.
This paper assesses a set of conditions hypothesized as important for supporting the implementation of significant curriculum and instructional changes at schools operating under school-based management. Four of the conditions examined were derived from a previously developed "high-involvement" framework. This framework suggests that effective employee involvement in the process of organizational improvement requires the decentralization to these employees of power, information, knowledge and skills, and rewards. Also evaluated were the importance of three additional conditions, namely, an instructional guidance system, leadership, and resources.

Wohlstetter, P. & Van Kirk, A. (In press). Redefining school-based budgeting for high performance. In L.O. Picus (Ed.), Where does money go? Resource allocation in elementary and secondary schools. Newbury Park, CA: Corwin Press.
There continues to be a deficit of information about how to carry out budgeting at school sites and the support structures needed for implementation. In this study, we found evidence of a broadened definition of school-based budgeting, but there was still a gap between ideal and actual practices. Districts had decentralized some power, but schools had little discretion after district, and sometimes state, constraints were taken into consideration; information sharing was often restricted by the political culture of the district and a lack of technology; staff development was relatively fragmented according to availability and

demand; and there was very little experimentation with reward structures in schools. There was evidence to suggest, however, that there was a scaling up process occurring as districts were working to use school-based budgeting to help create high performance schools.

Wohlstetter, P., Wenning, R. & Briggs, K.L. (In press). Charter schools in the United States: The question of autonomy. Educational Policy.

By the end of 1994, eleven states had passed legislation authorizing charter schools. Following the argument that charter schools need to be autonomous, self-governing organizations in order to enhance their potential for high performance, this study explores legislative conditions that promote charter school autonomy. The study applies a conceptual framework of autonomy to assess variations among state charter school policies. The results suggest that state policies offer different levels of autonomy and thus, charter schools will vary in their ability to innovate and their potential for high performance. Differences in autonomy across charter school laws appear to be related to state political cultures and to the state's history of decentralization reform.

Odden, A., Wohlstetter, P., & Odden, E. (1995). Key issues in effective site-based management. School Business Affairs, 61(5), 4-16.

This paper discusses the strategies that promote high performance in SBM schools and gives examples of what was found in schools where SBM worked and in struggling SBM schools. New roles for teachers, principals and community members are described. Lastly, the authors discuss their recommendation for developing a new school finance system to facilitate the success of SBM.

Odden, E.R. & Wohlstetter, P. (1995). How schools make school-based management work. Educational Leadership, 52(5), 32-36.

In this article, the authors set out to learn why some school districts and schools flourish under decentralization while others flounder. Findings include six strategies for success: (1) involve many stakeholders throughout the school organization in making decisions; (2) make professional development an ongoing, school-wide activity; (3) disseminate information broadly so that SBM participants can make informed decisions about the school organization and so that all stakeholders are informed about school performance; (4) select a principal who can lead and delegate; (5) adopt a well-defined vision for curriculum and instruction; and (6) frequently reward individuals and groups on progress toward school goals.

Robertson, P.J. & Briggs, K.L. (1995). The impact of school-based management on educators' role attitudes and behaviors. Working paper, Center on Educational Governance. Los Angeles: University of Southern California.

This paper explores the leadership behaviors exhibited by administrators, faculty and staff in 17 schools. These schools included elementary and high schools that were successful in implementing curriculum and instructional innovations and some that were less successful.

Interviews of school staff were conducted at an average of 18 people per school. Leadership behaviors required for effective organizational leadership were analyzed using a model of developmental leadership. Specifically, we focus on five key activities: developing a vision, developing commitment, developing teams, developing individuals, and developing opportunity. In conclusion, the schools exhibiting more extensive innovations also had more evidence of people engaging in behaviors associated with developmental leadership.

Mohrman, S.A., Wohlstetter, P. & Associates (Eds.). (1994). School-based management: Organizing for high performance. San Francisco: Jossey-Bass.
This book examines school-based management (SBM) strategies that hold promise for increasing organizational effectiveness. Based on the pioneering "high-involvement" model, the book reveals the need to go beyond thinking about SBM as a simple transfer of power to viewing it as a change in organizational design. The challenge is to redesign the school organization to enable educators to engage in the extensive learning required to adopt new approaches to teaching and learning; to involve educators in the continuous improvement of performance; and to promote the involvement and responsiveness of the school to the diverse needs of the community.

Odden, A. & Odden, E. (1994). Applying the high involvement framework to local management of schools in Victoria, Australia. Working paper, The School-Based Management Project. Los Angeles: University of Southern California.
This paper applies the high involvement framework, developed in the private sector, to assess school-based management in Victoria, Australia. Areas explored in this paper include the organization and culture of schools; teacher and principal roles; curriculum and instruction; and the amount of power or authority, knowledge, information and rewards at the school site.

Odden, A. & Odden, E. (1994). School-based management: The view from "down under" (Brief No. 62). Brief to policymakers, Center on Organization and Restructuring of Schools. Madison, WI: University of Wisconsin-Madison.
This brief outlines some key features of Victoria, Australia's experience in school-based management that may be relevant to reformers elsewhere. Overall, the Victorian schools studied supported the tenets of the high involvement framework; namely, that if decentralization is accompanied by information, knowledge, power and rewards, and includes all teachers in decision-making, then school productivity is likely to increase.

Wohlstetter, P. & Anderson, L. (1994). What can U. S. charter schools learn from England's grant-maintained schools? Phi Delta Kappan, 75, 486-491.
This article examines the early experiences of grant-maintained schools in England and considers some of the challenges that face self-governing schools in both the U. S. and England during the 1990s. Because the problems faced in education are interconnected,

reforms aimed at ameliorating discrete elements of the education system have been disappointing. The article maintains that there is a need for leadership at the top, either at the national or state level, combined with local flexibility in self-governing schools.

Wohlstetter, P. & Briggs, K. (1994). The principal's role in school-based management. Principal, 74(2), 14-17.
As more and more school districts across the United States implement school-based management (SBM), principals increasingly find themselves with the power to make such on-site decisions as to how money should be spent, where teachers should be assigned, and what should be taught in the classroom. This article discusses how effective principals in SBM schools work to diffuse power throughout the school, promote school-wide staff development, distribute information liberally and frequently to the school's stakeholders, and reward staff members by reducing teaching loads or providing funding to attend professional development activities.

Wohlstetter, P. & Mohrman, S.A. (1994). School-based management: Promise and process. Finance brief, Consortium for Policy Research in Education. New Brunswick, NJ: Rutgers University.
This brief presents findings to practitioners and policy makers regarding the implementation of school-based management (SBM). It examines how power, information, knowledge and rewards are elements for creating a high performing school under SBM. It includes an overview of the process of change, how to manage the change process, policy implications for school districts and states, and characteristics of actively restructuring schools.

Wohlstetter, P., Smyer, R. & Mohrman, S.A. (1994). New boundaries for school-based management: The high involvement model. Educational Evaluation and Policy Analysis, 16(3), 268-286. This article has been reprinted in Systemic reform: Perspectives on personalizing education. Washington, D.C.: U. S. Department of Education, Office of Educational Research and Improvement.
This article examines the utility of school-based management (SBM) as a means for generating school improvement and applies a model of high involvement management, developed in the private sector, to determine what makes SBM work and under what conditions. Emerging from the analysis is the importance of expanding the definition of SBM to include aspects of organizational redesign beyond the traditional boundaries of shared power in order to create the capacity within schools to develop high performance.

Mohrman, S.A. & Wohlstetter, P. (1993). School-based management and school reform: Comparison to private sector renewal. Working paper, The School-Based Management Project. Los Angeles: University of Southern California.
This paper describes the similarities and differences between private sector organizations and schools redesigning themselves to address the challenges they are facing in their changing

environments. The assumption is that by empirically deriving the similarities and differences, it will be possible to discover what conclusions from the private sector experience may be relevant in education, and where the context of education demands unique approaches.

Robertson, P.J. & Briggs, K.L. (1993). Managing change through school-based management. Working paper, The School-Based Management Project. Los Angeles: University of Southern California.

This article assesses the process of change through school-based management (SBM). The analysis is guided by a theoretical model that describes the process through which SBM can lead to school improvement. The findings indicate that school leaders must insure that all constituents have an opportunity to participate in school level decisions, that a vision regarding desired outcomes should be utilized to guide changes, and that the process of change should be monitored in order to better identify problem areas and allow corrective action to be taken.

Wohlstetter, P. & Mohrman, S.A. (1993). School-based management: Strategies for success**. Finance brief, Consortium for Policy Research in Education. New Brunswick, NJ: Rutgers University.**

This brief offers a new definition of school-based management (SBM), based on a review of the literature in public schools and private organizations, and describes strategies for decentralizing management to improve the design of SBM plans. The design strategies focus on the four components of control: power, knowledge, information, and rewards.

Wohlstetter, P. & Odden, A. (1992). Rethinking school-based management policy and research. Educational Administration Quarterly**, 28(4), 529-549.**

This article reviews existing literature on school-based management (SBM) and highlights several themes related to both why SBM does not work and how it can be designed to be more effective. The results from the review suggest that future policy and research ought to expand its purview of SBM to include more than just delegating budget, personnel, and curriculum decisions to schools and to join SBM as a governance reform with content (curriculum and instruction) reforms so as to enhance the possibilities for improving educational practice.

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